

Mitterrand, No Longer the Upstart, Remains Coy on a 2d Term

By Julian Nundy
International Herald Tribune
PARIS — In September 1965, as de Gaulle was holding a news conference, François Mitterrand announced that he would run against him in approaching presidential elections.

De Gaulle had been expected to announce his own candidacy during the news conference. Faced by this obvious attempt to upstage him — the news was broken by a journalist who rose to ask a question — de Gaulle left his announcement for an additional two months.

The president was then 73. Mr. Mitterrand, at 48, was a comparatively youthful challenger who, under the slogan "A Young President for a Modern France," was able to force the elections that December into an unexpected second round.

Now it is Mr. Mitterrand who is the incumbent. Facing an array of younger challengers, the Socialist president has to decide whether he will run for a second seven-year term in elections in April, when he will be 71.

The consensus is that he will, and, like de Gaulle, that he will wait until the last minute to announce. A recent poll of 26 public figures showed that 14 believed he would run. Five were convinced that he would not.

There has been no shortage of advice, particularly from those who claim to be the political heirs of de Gaulle, that Mr. Mitterrand should not run because he is too old.

Mr. Mitterrand has said he does not want to run. But he has artfully left the door open for a change of heart, stating that exceptional circumstances could persuade him to run again.

From all the outward signs, Mr. Mitterrand has the change of heart well prepared.

He has moved from his earlier restraint in his criticism of the government, a condition of the left-right "cohabitation" imposed on him by a conservative victory in parliamentary elections last year, and has indulged in a flurry of

attacks on the actions of the center-right coalition.

The result has been an animated period since the summer vacations, with ministers pouting at snubs by the president as political analysts sifted through the evidence to determine the president's line.

For Denis Baudouin, Prime Minister Jacques Chirac's spokesman, the president's tactic of not declaring himself a candidate is "an ambiguous and maybe skillful game." He is not obliged to declare until late March, a month before the first round of the election.

Mr. Baudouin said the decision has enabled Mr. Mitterrand to retain the high ground in opinion polls, consistently around the 55-percent mark, as attention has focused on his intentions rather than on his record.

Six months before the official presidential campaign opens, the center-right parties in the government coalition attacked first and chose age as their first theme.

But the tactic failed, if only because of clumsy handling.

Education Minister René Monory, paying the president the backhanded compliment that he was

"too intelligent" to risk staying in the presidency into his old age, said that Mr. Mitterrand would be 80 when his second term ended.

In fact, he would be 78 in 1995 when the next presidential election would be due, a fact that was widely picked up by the press to ridicule Mr. Monory's words.

The issue led the normally staid Mr. Chirac to show his attachment to youth by posing cross-legged in jeans and a sweatshirt, complete with a Walkman headset, for a teen-age magazine as he proclaimed a previously unmentioned admiration for the rock star Madonna.

Mr. Chirac, 54, then chose a rock radio station to announce that his government was reducing the value-added tax on records and cassettes, a measure that will cost the state 680 million francs (\$113 million) annually. Its introduction was astutely set for Jan. 1, after the Christmas buying spree.

Jean-Luc Parodi, a consultant to the French Institute of Public Opinion, a polling organization, said its pollsters had found that many people interviewed for a recent poll had mocked Mr. Chirac's

attempt to catch the younger voters.

A halt was called to the age issue after the Gaullist Rally for the Republic spokesman, Franck Borotra, said at a party meeting that Mr. Mitterrand was "losing his memory."

Aides to Mr. Chirac, some of whom reportedly persuaded him to drop his efforts at trendiness, said they believed the issue had had a negative effect.

Mr. Mitterrand, in a broadcast interview, quoted Plutarch as saying that age had "never changed a honeybee into a drone."

The government's overture to youth was followed by cuts in the value-added tax on automobiles and in the income tax for next year.

But if Mr. Chirac has used government action to attract the voter's attention, Mr. Mitterrand has used the pedestal of the presidency to counter his Gaullist rival.

Denis Jeambar, the chief political writer for *Le Point*, said Mr. Mitterrand was "the man who is doing the most while giving the impression of doing the least."

In the last few weeks, the president has criticized the use of the

police against Melanesian demonstrators in the Pacific territory of New Caledonia; rejected remarks by Finance Minister Edouard Balladur about the previous Socialist government's handling of the economy; attacked the work of a state commission attributing radio and television frequencies as detrimental to public liberties, and publicly defended a police officer on his staff who is under investigation for his role in the wrongful arrest of three terrorist suspects.

Officials close to Mr. Mitterrand deny that the president is already campaigning, saying that it was "a coincidence" that various issues had arisen that required comment.

Although few major candidacies have been announced, the lineup that Mr. Mitterrand would be likely to face next spring would have Mr. Chirac and former Prime Minister Raymond Barre, of the center-right Union for French Democracy, as his main opponents.

His own Socialist Party has been left in an unhealthy limbo as most of its leaders have said they hope for another Mitterrand candidacy, while two others have declared themselves candidates.

One, Michel Rocard, a Mitterrand rival, said he would run whatever the president decides. The other, Jean-Pierre Chevènement, said he would not run if Mr. Mitterrand did.

Several fringe politicians have announced their candidacies. The far-right National Front president, Jean-Marie Le Pen, and the Communist candidate, André Lajoie, both of whom hover around the 10-percent mark in polls, are the only ones likely to have any impact.

All scenarios remain essentially meaningless until Mr. Mitterrand makes his move.

Asked about his likely course of action on television, he talked wistfully of a time of reflection away from politics. Then, to sustain the mystery, he said, "I am telling you what my preference would be, but I am not telling you what my choice would be."

He added: "I just want to tell you that my wish, my hope, my desire is not to be a candidate. But I shall give no one the advantage of being able to say, in September 1987, what my decision will be in 1988."

WORLD BRIEFS

Fiji Colonel Proclaims a Republic

SUVA, Fiji (UPI) — Colonel Sitiveni Rabuka declared Fiji a republic Wednesday, saying the country would have a new constitution to replace the one that took effect when it gained independence from Britain in 1970, and he vowed to maintain the political dominance of ethnic Fijians over the larger Indian population.

The declaration over national radio by Colonel Rabuka, who has taken over the government by coup twice within 19 weeks, came after the failure of talks on Monday in the western city of Lautoka. There, the coalition of the deposed prime minister, Timoci Bavadra, refused to accept a short list of "minimum terms" from Colonel Rabuka.

The governor-general, Ratu Sir Penisa Ganilau, Queen Elizabeth II's representative in Fiji, said after the meeting that he alone "would now decide what steps to take."

U.S. and Soviet Seeking Site for Talks

WASHINGTON (UPI) — A proposal for arms control talks between Defense Secretary Casper W. Weinberger and his Soviet counterpart, Dmitri T. Yazov, has snagged over the two men's inability to agree on where to hold a meeting, the Pentagon said Tuesday.

In Mr. Weinberger's third and latest letter to General Yazov, he rejected a second offer to meet in Geneva this week within the framework of the Standing Consultative Commission. The panel is a U.S.-Soviet group that discusses compliance with treaties.

But Mr. Weinberger, who had asked twice before that the talks be held in Washington, gave in to General Yazov's implied suggestion that they meet in New York City instead. The U.S. and Soviet defense chiefs have never held formal talks.

Pretoria Says Guerrillas Are Arrested

JOHANNESBURG (Reuters) — South Africa said Tuesday it had dealt a severe blow to urban terrorism with the arrest of the leader and command of a guerrilla network suspected of attacks on police and government installations in Cape Province.

The law and order minister, Adrian Vlok, said 11 persons, including a 30-year-old white woman, "well-known in academic circles," were detained. All were members of the outlawed African National Congress, he said. Police said the group included seven black men, two black women and a mixed-race man.

"Five of this group are believed to have received training in Angola, Russia and East Germany," Mr. Vlok said.

Pakistan Reports Capture of 6 Soviets

ISLAMABAD, Pakistan (AFP) — Pakistani authorities detained six Soviet nationals after they landed in the country Saturday in two gunship helicopters on a mission for the KGB, a Foreign Office spokesman said Tuesday.

The spokesman said the six were identified as members of the 2177 Army Unit affiliated with the Guard Brigade of the KGB, the Soviet secret service. He said they were captured after landing their two MiG-24 gunship helicopters in Pakistan on Saturday. The spokesman said two of those detained were pilots, two were co-pilots and two mechanics.

Unions in Chile Call National Strike

SANTIAGO (Reuters) — Chilean trade unions planned to hold the first opposition challenge to the military government of President Augusto Pinochet in more than a year with a national protest strike scheduled for Wednesday.

The stoppage, called by the National Workers Command, is intended to press demands for wage increases and to protest the military's monetarist economic policies. Diplomats expect a muted response from Chilean workers, who can be dismissed for taking part in illegal strikes.

The protest has been linked by union leaders to an opposition campaign for free elections in Chile.

TRAVEL UPDATE

House Backs Airline Consumer Bill

WASHINGTON (NYT) — The House of Representatives approved a package of consumer-protection measures Monday for airline passengers. The package would require airlines to compensate passengers for lost or delayed baggage, provide more time between connecting flights and notify passengers promptly when flights will be delayed.

The airlines would also be required to post on-time performance records for flights. It was the first important airline measure to be approved by either house of Congress since the recent rise in consumer complaints over performance and concerns over safety, much of it the consequence of deregulation of the industry in 1978.

Similar legislation is pending in a Senate committee, and passage by the Senate, which is expected, would set the scene for a confrontation with the White House, which is expected to oppose new restrictions on airlines.

Transportation Strike Disrupts Rome

ROME (AP) — Romans battled huge traffic jams, searched for taxis or simply stayed home Tuesday as a walkout by bus and subway workers brought public transportation to a halt in the Italian capital.

The city urged residents not to drive their cars unless absolutely necessary, fearing a disaster if the 1.6 million vehicles registered in the city were used. Unions called the 24-hour strike to press the local transport companies to renew a contract that provides for pay increases in return for increased productivity.

Yugoslav air controllers are on a slowdown strike to protest low wages, the *Politika* newspaper reported Tuesday. As a result, domestic flights last longer and airplanes use up more fuel, *Politika* said quoting Yugoslav pilots.

A one-day walkout by Amtrak maintenance workers over layoffs that disrupted train service in New England and New York ended when a judge issued a back-to-work order Monday. Amtrak is the U.S.-subsidized passenger rail service. (AP)

U.S. Defends Its Plans On Chemical Weapons

WASHINGTON — The United States defended on Tuesday its plans to produce chemical weapons and rejected speculation that the superpowers could reach agreement this year on a treaty banning such weapons.

Charles E. Redman, the State Department spokesman, described U.S. plans to resume chemical weapons production this year as a modest modernization program to build a safer, more credible deterrent. "The United States halted chemical arms production in 1969.

"What we have here is not an effort to match the magnitude of the Soviet effort," he said, "but only a credible deterrent and one which will raise serious doubts in the minds of the Soviet leadership as to the utility of initiating chemical warfare."

He also faulted Moscow for failing to disclose sufficient data on chemical stocks, including the location, types of munitions and destruction plans for old weapons.

Some officials and observers have suggested that the United States and the Soviet Union, which have agreed in principle to a treaty abolishing their intermediate-range nuclear forces, could also sign a chemical weapons treaty this year. But Mr. Redman called such speculation unrealistic.

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Mubarak Marks War Anniversary After Re-election
President Hosni Mubarak of Egypt, who on Monday won a second six-year term, standing at attention with military officials Tuesday to mark the anniversary of the start of the 1973 Middle Eastern war. Mr. Mubarak, 59, who was the only candidate in a referendum and had wide support even among opposition groups, won 97.12 percent of the vote, with turnout put at 88.47 percent.

UNESCO Board Delays Vote for Agency Head

PARIS — The executive board of UNESCO put off on Tuesday making its choice for the post of director-general, held by Amadou Mahtar M'Bow of Senegal, after failing to decide on voting procedures.

After five and a half hours of secret discussions, delegates said the 50 members of the board would begin voting Wednesday on a new chief for the UN Educational, Scientific and Cultural Organization.

Delegates said the daylong procedural maneuvering indicated divisions that developed after Mr. M'Bow, 66, decided to run for a third term.

The board is divided among Mr. M'Bow's mainly African and Arab supporters, Asian and Western partisans of his chief rival, Foreign Minister Sahabzada Yaqub Khan of Pakistan, and a third group that wants neither.

The United States and Britain left UNESCO in 1984 and 1985, charging Mr. M'Bow with waste and anti-Western bias.

France's representative to UNESCO, Gisèle Halimi, said Tuesday that she was resigning because her government had ordered her to vote against a new term for Mr. M'Bow. Mrs. Halimi said she was quitting in protest at France's decision to back Mr. Yaqub Khan.

Mrs. Halimi, a lawyer and feminist activist, was appointed to the Paris-based agency by President François Mitterrand. Her influence over French policy in the agency has declined since the election of a right-wing government headed by Prime Minister Jacques Chirac last year.

Mrs. Halimi said she could not support the candidate of a government which she said had repeatedly violated human rights.

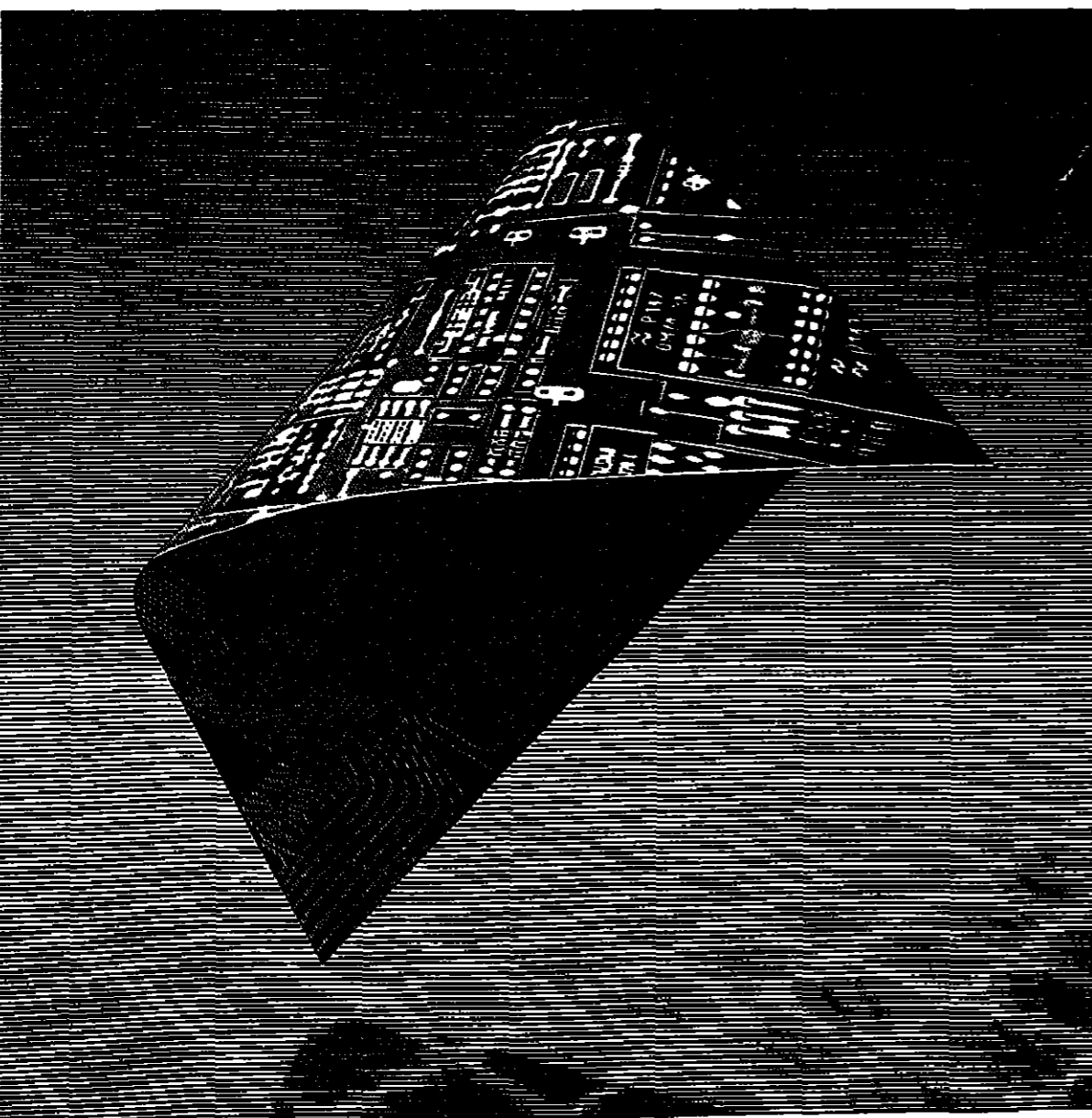
Solidarity Accused Of Bid to Smuggle Arms Into Poland

WARSAW — The chief government spokesman said Tuesday that the banned Solidarity union movement was responsible for what he called a terrorist shipment into Poland of weapons, tear gas, listening devices and printing materials.

The spokesman, Jerzy Urban, said the shipment, along with letters implicating Solidarity members, was in a trailer brought from Sweden and seized by security agents in the Baltic port city of Gdansk on Sept. 30.

The accusation was made slightly more than a week after Vice President George Bush met with leaders of Solidarity in Warsaw, and during a week when the government is to announce major economic and political changes.

Janusz Onyszkiewicz, national spokesman for the union, denied Tuesday that Solidarity would have anything to do with importing weapons or tear gas.



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Salvadoran Rebels And Duarte Agree On Cease-Fire Panel

The Associated Press
SAN SALVADOR — The government of President José Napoleón Duarte and leftist rebels ended a two-day meeting Tuesday with an agreement to form a commission to seek a cease-fire in El Salvador's eight-year-old civil war.

Both sides had predicted that the talks would not resolve the major political and ideological differences, and a joint communiqué announcing the commission appeared to bear out their forecasts.

Representatives of the insurgent Farabundo Martí National Liberation Front and the Salvadoran government started talks Sunday in an effort to comply with the regional peace accord that is intended to end insurgencies in El Salvador, Guatemala and Nicaragua.

In statements after the negotiations, rebel leaders raised doubts that the commission could bring about a cease-fire because of the differences. But Mr. Duarte said that if the commission failed, he would "assume a historic challenge" and ask his army to declare a cease-fire on its own.

The communiqué was read by the archbishop of San Salvador, Arturo Rivera y Damas, at the end of a 15-hour negotiating session that began Monday morning. The talks marked the first time in three years the two sides had officially met.

Both sides achieved the limited goals they had set for themselves. Mr. Duarte got the insurgents to agree to seek a cease-fire within the framework of the peace accord. The rebels obtained a continuing negotiating forum with the government in the form of the commission.

"It took us almost three years to get a dialogue started, and we achieved it," said Guillermo Ungo, a leader of the rebel delegation.

The cease-fire commission, to be made up of four members each from the government and an umbrella organization representing five armed guerrilla groups, will have until Nov. 4 to present its first report and an additional 120 days to complete its work.

That timetable meets the requirements of a peace plan signed by five Central American presidents in Guatemala on Aug. 7.



A Salvadoran woman behind barbed wire near the Vatican diplomatic mission as government officials and rebels met.

Drug Promises to Render Colds Sneezeless

By Gina Kolata
New York Times Science
NEW YORK — Science is still a long way from a cure for the common cold. But maybe that does not matter so much anymore.

For the first time, researchers think they may have found the substance that causes cold symptoms. Even better, they think they have found a drug that blocks its action.

People who used the drug would still have the cold, but without the stuffy nose and sore throat that make it such a miserable ailment.

"I'm not going to stand up in public and say that it will work," said Dr. David Proud of the Johns Hopkins University School of Medicine. "But that's the hypothesis."

Dr. Proud, Dr. Robert Naclerio of Johns Hopkins and Dr. Jack Gwaltney of the University of Virginia have new evidence that cold symptoms are caused by kinins, normal proteins that cold viruses prompt the body to produce.

It should be possible to administer the kinin-blocking drug in a nasal spray, they said.

The drug would prevent kinins from dilating blood vessels and sending pain messages, the normal functions of these proteins.

If the treatment worked, cold symptoms would be alleviated.

Moreover, because patients would still have their colds, they would develop antibodies. Thus, they would be protected from the particular strain of cold virus the next time they encountered it.

Dr. Proud, Dr. Naclerio and Dr. Gwaltney are awaiting approval from the Federal Food and Drug Administration to start testing this drug, called a bradykinin antagonist, on volunteers.

The drug was developed by scientists at the University of Colorado who wanted to use it for research purposes and is licensed by Nova Pharmaceuticals in Baltimore.

Extensive toxicological tests in animals have shown it to act "with perfect safety," Dr. Proud said.

"I think it's an interesting new observation," said Dr. Robert Couch, a cold researcher at Baylor College of Medicine in Houston. The kinin antagonist, he said, "would certainly be something to try."

It has long been known from studies of volunteers that only about two-thirds of people who are infected with a cold virus actually develop symptoms.

What the researchers discovered was that those who have symptoms also have a high level of kinins in their nasal secretions.

Volunteers who sprayed kinins into their noses developed cold symptoms, even if they did not have a cold. Dr. Proud, who tried this himself, said he developed a stuffy nose that lasted about half an hour and a sore throat that lasted five hours.

The findings make sense, Dr. Proud said, because kinins dilate blood vessels, which could lead to stuffy noses, and they also produce pain, which could explain sore throats.

Dr. Gwaltney, who has been studying colds for 30 years, said he began wondering about cold symptoms when he noticed, as others had, that cold viruses seem to have virtually no effect on cells lining the nose.

He reasoned that something other than the virus itself must be causing the symptoms. There were a number of possible culprits, including histamines and prostaglandins as well as kinins.

Dr. Gwaltney sent nasal secretions from 40 volunteers with colds to Dr. Proud and Dr. Naclerio, who tested the secretions for the presence of these biochemicals.

"We found only kinins," said Dr. Proud.

The kinin work comes at a time when "there has not been a whole lot of interest in the common cold," Dr. Couch said, adding that he believed that scientists had begun to view cold research as "a hopeless area."

The problem is that as many as 200 to 300 different viruses can cause the common cold — so many as to make a cold vaccine virtually impossible.

Even without a vaccine, it is still possible that people exposed to a cold could take measures to protect themselves.

Dr. Couch and others, including Dr. Gwaltney, discovered that interferon can do this, at least for rhinoviruses, a class of viruses that is responsible for 30 to 40 percent of colds.

When the interferon results were made known in early 1986, they seemed quite promising, Dr. Gwaltney recalled.

"Our original idea was that you could spritz interferon into your nose once a day all winter long and never get a cold," he said.

But interferon turned out to have unacceptable side effects when people used it for more than a week. Volunteers reported that their nose was irritated, itching and burning and that they had blood-tinged nasal mucus.

"The side effects were worse than the symptoms of the cold," Dr. Gwaltney said.

The kinin discovery, then, may provide new options.

Dr. Gwaltney pointed out, however, that although the researchers have repeated their initial studies and are certain that kinins are there, what they have is an association, not yet a proof of cause and effect.

People who used the drug would still have the cold, but without the stuffy nose and sore throat that make it such a miserable ailment.

A Miskito Chief Ends Anti-Sandinist Fight

By Stephen Kinzer
New York Times Service
PUERTO CABEZAS, Nicaragua — One of the commanders of Miskito Indian guerrillas fighting in Nicaragua has agreed to end his campaign against the Sandinista government.

The commander, Uriel Vanegas, appeared in Puerto Cabezas on Saturday with several dozen of his 400 men. He shared a platform with Interior Minister Tomás Borze.

"We can support the Sandinista project if it defends Indian rights," Mr. Vanegas said.

His men carried rifles, grenade launchers and machine guns as they listened to his speech in the Puerto Cabezas plaza.

Mr. Vanegas said he and his troops were not surrendering and vowed that they "will not turn in a blessed rifle to the Sandinista Front."

Under an agreement signed by Mr. Vanegas and Sandinista officials, the Indians will be allowed to keep their weapons, and they will form police and militia units to defend Indian villages.

Mr. Vanegas said some of his men "will become part of the national army."

Relief workers and others in Puerto Cabezas described Mr. Vanegas's decision as an important breakthrough that could lead to an end to the six-year-old war between the Indians and the Sandinist authorities.

They estimated that with Mr. Vanegas's decision to stop fighting, there were 800 to 1,500 Indian guerrillas still in the field. Brooklyn Rivera, the most prominent Indian leader, has put the figure at 2,800.

The Moravian Church, to which most Miskitos belong, is serving as an intermediary between the government and Indian commanders.

"Most of the Indian fighters are about to accept a cease-fire," said the Reverend Andy Shoeen, superintendent of the Moravian Church in Puerto Cabezas. "During the last two years, the government has taken a different attitude toward these people and has started respecting their feelings."

The announcement that Mr. Vanegas and his 400 men would stop fighting represented a victory for the government, which has tried to persuade the Indians to press their demands through political rather than military means.

Wright Assails Reagan's Latin Policy

By Joel Brinkley
New York Times Service
WASHINGTON — The House Speaker, Jim Wright of Texas, who took the unusual step two months ago of agreeing to collaborate with President Ronald Reagan on a peace plan for Central America, has called the White House's latest Nicaragua strategy ridiculous and a creation of "the extreme right wing."

Mr. Wright's caustic remarks Monday were notable because for the last two months he has avoided harsh criticism of the administration's statements on Nicaragua, trying, according to an aide, to give the Central America peace process a chance to work.

Last week, senior White House officials listed demands that they said the Sandinista government must accept if it hoped to forestall a request to Congress next month for \$270 million in renewed military aid to the contras. Among them, Nicaragua would have to stop taking Soviet-bloc military aid, evict Soviet and Cuban military advisers, hold new presidential elections, free all political prisoners and sharply reduce the size of its armed forces.

The demands included several that are not a part of the peace agreement signed by five Central American presidents in Guatemala in August.

Noting the negative reaction to the list by Mr. Wright and others, a senior White House official said Monday: "People here don't see this as a new plan. Really, it's just the Reagan-Wright plan."

He was referring to the joint peace initiative Mr. Reagan and Mr. Wright offered two months ago, just before the Central American leaders concluded their accord.

But Mr. Wright disagreed. He called the White House list "ridiculous demands that violate Nicaraguan sovereignty," adding, "It is becoming increasingly difficult to avoid the conclusion that someone advising the president is trying to torpedo the peace process."

Speaking with reporters, Mr. Wright said it seemed as if "the extreme right wing" had taken over the White House's Central America policy.

A senior aide to Wright said: "That list has nothing to do with the Reagan-Wright plan. It's no longer operative." The Reagan-Wright proposal became more or less irrelevant when the Central American presidents signed their own accord.

The Wright aide said, "The ultimate tragedy will be that if the White House goes through with this it may cause the Guatemala plan to fail."

But the White House spokesman, Martin Fitzwater, said the list of demands "represent our thinking on compliance with the Guatemala peace plan."

Acknowledging that the White House demands exceeded those in the Guatemala plan, Mr. Fitzwater said, "We'll make our own determination about what is acceptable and what constitutes compliance in terms of the range of decisions we have to make in Central America."

Mr. Wright got into conflict with the White House almost immediately after he agreed to sponsor a joint peace initiative with Mr. Reagan.

The same week that the plan was announced, the White House distributed to members of Congress an explanatory 21-point addendum that said, among other things, "it is our understanding that an acceptable timetable for new presidential elections "would call for prompt national elections, certainly well in advance of the currently scheduled 1990 elections."

Mr. Wright said he had never approved or even seen that list before it was distributed and was angered by it.

On Monday, his aide said, "We had long discussions" with Secretary of State George P. Shultz and the White House chief of staff, Howard H. Baker Jr., "and we all agreed that one nation could not dictate that sort of thing to another."

Mr. Reagan is to lay out his demands in a speech to the Organization of American States on Wednesday, and an official said the demand for new elections was in an early draft of the speech but had since been removed. The official said that "we're not saying now" whether the administration will insist on early elections.

Panel Would Guide U.S.-Canada Trade Pact

New York Times Service
WASHINGTON — To save a free-trade pact with Canada, the Reagan administration agreed that a Canadian-American panel for settling disputes could review acts of Congress and authorize Canadian trade retaliation if those acts "violate the spirit" of the pact, according to officials.

This 11th-hour concession, touching American sovereignty and other details, were disclosed Monday as the administration mobilized to sell the package to Congress while fighting protectionist provisions of an omnibus trade bill now in conference between the two chambers.

The U.S. trade representative, Clayton K. Youtter, said that approval of the Canadian pact would require "a lot of effort" by supporters but also that "this is a package that should sell itself and will sell itself."

The accord, completed after 16 months of negotiations just before a deadline of midnight Saturday, calls for elimination of all tariffs by Jan. 1, 1999, and the reduction of many nontariff barriers. The aim is to integrate the two nations' economies.

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Dutch Kidnappers Said to Seek Gems

Reuters
AMSTERDAM — Kidnappers of a Dutch businessman want half the ransom demanded for his release to be paid in diamonds, the Rotterdam newspaper *Algemeen Dagblad* said Tuesday.

It said the ransom sought for Gerrit Jan Heijn, No. 2 executive of the retail chain *Abold NV*, was diamonds and cash worth 25 million guilders (\$12.5 million).

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Chinese Police Arrest 60 Protesters, Beating Many, in Tibet's Capital

Compiled by Our Staff From Dispatches

LHASA, Tibet — Chinese police arrested more than 60 demonstrators Tuesday, beating many with sticks and rifles, after the protesters marched in central Lhasa.

The demonstration was the third in 10 days. On Thursday, a pro-independence protest is believed to have left as many as 10 dead.

About 2,000 people stood by at the regional government office compound as Chinese police and soldiers armed with AK-47 automatic rifles and automatic pistols herded the marchers into trucks, beating many of them.

About 100 protesters had marched from the direction of the Drepung monastery. Initial indications were that all 100 had been arrested, but Western witnesses said later that a few marchers were arrested on the way and others left the march. About 60 continued on to the regional government office, where they were arrested.

The marchers were believed to have been Buddhist monks wearing civilian clothes.

The Buddhists were demanding the release of 21 monks who were arrested Sept. 27 in Lhasa during a violent protest demanding Tibetan independence from Chinese rule. It was the first such incident in Lhasa in recent years.

There have been reports that the monks plan to demonstrate Wednesday, the 37th anniversary of the Chinese occupation of Tibet.

"We firmly oppose and will try to firmly stop those kinds of riots," a Communist Party spokesman

Wu Xingiang, said Monday in Beijing. He accused foreigners of advocating independence for Tibet.

On Thursday, at least 2,000 Tibetans demanding independence burned a police station and police vehicles and stoned officers.

Chinese security troops were flown to Lhasa on Monday, and police erected barricades on the main roads to the Sera, Ganden and Drepung monasteries.

An Associated Press reporter, using a back road, reached Sera, four miles from Lhasa. Inside the monastery, more than 300 monks were mourning the deaths of two of the comrades shot Thursday.

"We're not able to go out now," said the abbot, who gave his name only as Tenzing. "They surround the place at night. Please, all of you Westerners, help us to become independent."

Beijing has blamed the Dalai Lama, Tibet's exiled civil and religious leader, for inciting the demonstrations. (AP, UPI)

Senate Voices Concern

The U.S. Senate voted 98-0 Tuesday to link the provision of military articles or services for China to a presidential certification that Beijing is "acting in good faith and in a timely manner to resolve human rights issues in Tibet," The Associated Press reported from Washington.

The resolution also called on President Ronald Reagan to meet with the Dalai Lama to support efforts to find a peaceful resolution to the recent outbreaks of anti-Chinese violence in Tibet.



SLIPUP — President Ronald Reagan missed a step Tuesday as he escorted Crown Prince Akihito of Japan at the White House but caught himself and did not fall.

CHINA: The Effect of Tibet Unrest

(Continued from Page 1)

proponents of liberalization so soon after their campaign earlier this year apparently fizzled.

An Asian diplomat said there had already been high-level disagreements in Beijing about how Tibet should be treated.

In the Cultural Revolution, which began in 1966 and lasted for 10 years, Tibetan religion and culture were harshly repressed. In recent years, the government has tried to make amends by restoring temples, increasing spending in the region and offering concessions such as allowing parents to have more children than would be tolerated elsewhere in China.

The conciliation effort has been most noticeable in the last two years, since the appointment of a new Communist Party secretary for the region, Wu Jinghua, a native of Sichuan Province.

The principal architect of the policy of conciliation with Tibet was Mr. Hu, the deposed party chief. Analysts said three of China's most prominent advocates of liberalization — Deputy Prime Ministers Hu Qili and Wan Li and Prime Minister Zhao Ziyang — were also associated with the policy and could be blamed for it.

NATO Planners Defend Missile Accord

By Robert J. McCartney
Washington Post Service

BRUSSELS — NATO planners have concluded that the proposed U.S.-Soviet treaty to eliminate intermediate-range nuclear missiles would weaken Moscow's overall military capability by at least as much as NATO's and may result in a small gain for the Western alliance in the European nuclear balance.

The Soviet Union would give up more than three times as many nuclear warheads as the North Atlantic Treaty Organization in the agreement, an advantage that a senior NATO expert said was "not something to sneeze at."

The Soviet Union consequently would suffer a relatively greater loss in the ability to strike enemy airfields, command and control centers, and rear-echelon positions where troop reinforcements would gather in any war between the East bloc and the Western alliance.

The planners' assessment is believed to be closer to the position of the NATO commander, General John R. Galvin, than to that of his predecessor, General Bernard W. Rogers, who was replaced by General Galvin in June, had argued that the allies were stampeded into accepting the agreement.

"Clearly, we don't lose badly," said another expert at NATO headquarters in Brussels. "In some ways, we think we have a gain. They give up more targets than we do."

A major concern, however, is that the pact could create political momentum for additional nuclear disarmament accords that might eventually leave NATO vulnerable to the Warsaw Pact's perceived advantage in conventional forces.

A political question raised by the accord is whether it represents a downgrading of the U.S. commitment to defend Europe. The U.S. intermediate-range nuclear forces in Europe, or INF, which would be dismantled under the treaty, were deployed beginning in 1983 to counter the growing Soviet arsenal of SS-20 missiles and to reassure European allies of U.S. determination to help defend them.

Yet, there is sharp debate within the alliance over whether Warsaw Pact conventional forces are really superior to those of the Western alliance. The International Institute of Strategic Studies in London judges the conventional forces of both blocs to be in rough parity.

While some NATO military commanders are unhappy about losing 108 U.S. Pershing-2 missiles under the treaty, the United States would still retain the ability to hit Soviet territory from Europe with submarine-launched missiles and bombs carried by F-111 aircraft based in Britain.

Eliminating the Pershing-2 missile force based in West Germany was widely considered Moscow's chief military goal in the negotiations on medium- and shorter-range nuclear arms. The Pershing-2, with a range of 1,100 miles (1,800 kilometers), is regarded as NATO's fastest and most accurate weapon capable of striking Soviet soil.

The U.S.-Soviet agreement in principle would eliminate only ground-based missiles with ranges of 300 to 3,500 miles, which are estimated to represent less than 4 percent of the superpowers' total nuclear arsenals.

The planned elimination of in-

termediate-range forces, according to both civilian and military experts at NATO, makes it more important than before to fulfill plans to upgrade NATO's battlefield-range missiles and airborne nuclear weapons systems during the 1990s.

The major potential liabilities for the Western alliance in the proposed treaty are political rather than military, according to officials in Brussels and at NATO's military headquarters in nearby Mons.

"In purely military terms, there is no question that we gain," said Martin McCusker, director of the military committee of the North Atlantic Assembly.

NATO experts expressed special satisfaction that the treaty would reduce the threat posed to the alliance's 35 operational airfields, and to ports such as Rotterdam and Antwerp, where U.S. troop reinforcements would arrive in case of war. But the Soviet Union, like the United States, would retain the ability to hit those targets with other weapons.

Under the agreement, each side is to scrap all land-based missiles with ranges shorter than those of intercontinental ballistic missiles,

or ICBMs, and longer than those of battlefield-range or tactical missiles. NATO will lose about 480 missiles. Moscow, by contrast, would destroy more than 1,500.

Perhaps the biggest problem is that the treaty would eliminate the missiles considered ideal for making a "demonstration" shot early in a war. Such a shot would seek to persuade Moscow to call off an invasion of Western Europe by Warsaw Pact conventional forces.

In this scenario, a single missile would be fired at a military target on Soviet territory to show Moscow that NATO was willing to use nuclear weapons to defend Europe. To a lesser extent, the ground-launched cruise missiles, serve this purpose better than the alternatives allowed by the treaty, NATO experts and private analysts said.

Intermediate-range missiles are land-based and thus somewhat more accurate than submarine-launched or airborne weapons.

The weapons to be dismantled also have the advantage of what is called "visibility."

As ground-based systems, they cannot easily be withdrawn from Europe, as submarines or aircraft are. They therefore are seen as having a particularly good deterrent effect. If the Soviets were overruled by West Germany, NATO would have to "use them or lose them."

But NATO political and military leaders express confidence that the United States would be willing to use other types of nuclear weapons if necessary to protect Europe.

"I don't know a senior U.S. official who doesn't know that the security of the United States is totally tied up in the security of Europe," a senior NATO planner said.

A final advantage of the intermediate-range weapons is that NATO planners believe that they could use a single Pershing-2 or cruise missile, rather than another nuclear weapon, with somewhat less risk of triggering an all-out nuclear war.

As intermediate-range, European-based weapons, the missiles would carry the "message" that NATO was interested in bringing a European war to an end rather than in raising the nuclear stakes to the strategic level.

OIL: Congress Approves Import Ban

(Continued from Page 1)

Reagan is expected to veto that legislation for other reasons.

U.S. to Bolster Force

The Reagan administration plans to send four small Coast Guard patrol boats and several search-and-rescue aircraft to the Gulf to join the navy flotilla there, Pentagon officials quoted by The New York Times said Tuesday.

The units, normally used to detect and arrest drug smugglers in waters of the United States and for safety patrols, will probably operate in the vicinity of Bahrain, midway up the Gulf.

Threat of Missiles

Iraq threatened Tuesday to answer Iranian missile attacks on Baghdad, the first in eight months.

GADHAFI: Algerian Union

(Continued from Page 1)

by potential economic gains for Algeria. They report that Libya is now expected to make concessions in resolving long-standing disputes over oil deposits in the remote regions along their common border and to reactivate some joint petroleum and gas pipeline projects that would aid Algerian exports.

Colonel Gadhafi has been repeatedly identified by Western nations as a major supporter of international terrorism. His residential compound was a target in the U.S. air strike on Tripoli in April 1986 that followed the bombing of a discotheque frequented by American servicemen in West Berlin.

Colonel Gadhafi's most recent effort at union was with Morocco. The political accord began in 1984 and collapsed earlier this year. The union with Algeria aligns two nations that have traditionally been hostile to King Hassan II of Morocco, a close ally of the United States.

RADIO: Banter, Bluster in Gulf

(Continued from Page 1)

Japanese tankers leaving the Gulf. An Iranian sailor burst out over the radio, ordering the Danish ship to stop.

"I warn you, I warn you, I'll have to take action. This is your last warning."

Saturday, as a U.S. warship was returning to the Gulf after escorting a U.S.-flagged Kuwaiti tanker to safety, an Iranian warship appeared on the horizon.

An Iranian warship, this is a U.S. warship. You have locked your fire-control radar on a U.S. warship. Secure it immediately. This is your only warning."

A Pentagon spokesman characterized this last confrontation as "routine harassment" that U.S. ships encounter in the tense environment of the Gulf.

But many of them also appear to approach a hair-trigger threshold, the kind that the captain and crew of the wild mired in May until it was too late to defend against incoming Exocet missiles, which struck the ship, killing 37 American sailors.

Data Network Set On Nuclear Safety

(Continued from Page 1)

Paris — Heads of electricity utilities from around the world have agreed after a two-day meeting here to establish an international information network to promote nuclear power safety.

Lord Marshall of Goring, chairman of Britain's Central Electricity Generating Board, said Tuesday that the organization would be funded by electricity utilities and would complement the work of the International Atomic Energy Agency and similar bodies.

Four regional centers will be set up within a year, would trade information on reactor performance and nuclear accidents but would have no disciplinary powers.

TAINT: Traces of the Chernobyl Disaster in European Food Supplies

(Continued from Page 1)

quarters in Montlimar, in southwestern France.

"This contamination is certainly not harmless," Mr. Courbon said.

A spokesman for the Ministry of the Environment in Bonn said it was impossible to say to what extent the ministry's advice is being heeded by Germans, who are avid mushroom-seekers.

"We issued a warning three weeks ago," the spokesman said, saying that people should be cautious in their consumption of wild mushrooms because of the possibility of elevated radiation levels.

"In general," he continued, "we have not registered levels above the average. The levels vary for each single mushroom, depending on where it grows. In southern Germany, there have been individual mushrooms, particular morels and other varieties that grow in woods, that have been above the average. But there is little actual danger."

Michael Schroeder, a spokesman for the environmentalist Green Party in Bonn, said: "For the government to have issued any warning at all, however mild, things really must be serious. It has played down the risks ever since the accident."

In Montlimar, Mr. Courbon said, many of the 200 varieties that had registered higher levels of radioactivity than the EC limit, although to a much lesser extent than the yellow boletes.

He said that some popular mushrooms, including *girrolles*, *cèpes* from Périgord and *bordeaux*, *coulemelles de l'Aude* and morels had bequeered amounts under the EC limits. Truffles, he said, are free of radioactivity.

In general, Mr. Courbon said, the mushroom crop this year has proved to be more radioactive than the one last year, which came only six months after the Chernobyl accident in April 1986. This is apparently because leaves affected by radioactive rainfall later fell to form the loam from which mushrooms extract nutrients.

In Britain, mutton has been affected. In North Wales and in Cumbria, the site of a major radiation leak 30 years ago, 475,000

sheep cannot be sent for slaughter this week because they have absorbed excessive amounts of radioactivity from grass in upland areas, according to the Ministry of Agriculture and the Welsh Office.

"Odd pockets of contamination keep turning up throughout Western Europe," said Anthony Brenton, a European Community environmental official in Brussels. "It is both surprising and worrying that these after-effects keep turning up for longer than we had expected."

"The radiation effects are lasting a lot longer than anyone thought possible," said Walter Patterson, a Canadian nuclear physicist who works as an independent analyst and writer in England.

"The radiological people assumed that radioactivity would be washed away from the surface, but this turns out not to be the case," he said in a telephone interview. "The way in which it renews itself in the food chain is very unpredictable, and governments were not prepared for the range or the longevity of the contamination."

"A very intense debate is now going on about what is safe and what is not safe," he said. "The values, unfortunately, are all too often picked out of the air. There are no adequate radiological data to indicate what the effect on health is likely to be."

At a conference on nuclear power performance and safety in Vienna last week, 500 experts were told that the fallout from Chernobyl may result in an additional 2,000 cases of thyroid cancer in EC countries and possibly 1,000 cases of other kinds of cancer.

But Geoffrey Webb of the National Radiological Protection Board in Britain, estimated that 8,000 cancer fatalities are caused annually in the community by naturally occurring radiation.

Cesium-137, one of the principal components of the Chernobyl fallout, will continue to be present for many generations. It loses half its radioactive strength every 30 years.

Gunnar Bengtsson, director general of the Swedish National Institute of Radiation Protection, said a control group of 40 people in Stockholm, who have been routinely tested for radiation exposure since before the Chernobyl accident, shows a significant increase

in the amount of radiation absorbed by the body.

In addition to the 7,000 becquerels of radioactivity found in the average adult from natural sources, researchers have found an additional 600 becquerels resulting from the Soviet accident.

Mr. Bengtsson said this still was only about half the increase registered after nuclear tests in the atmosphere in the 1960s.

Considerably higher increases, up to 100,000 becquerels in adults in isolated cases, have been recorded in Lapland.

"We tell them to be careful what they eat," Mr. Bengtsson said, noting that in Lapland, radioactivity has been concentrated in lichens and berries and is passed to humans through consumption of reindeer meat. Many of the fish in lakes in Sweden and Finland also are heavily tainted, he said.

In Brussels, Mr. Brenton said that because of the unexpectedly long duration of the post-Chernobyl effects, the European Community plans to replace the emergency food controls that were applied haphazardly after the accident. The controls, which expire at the end of October, would be replaced with a system of permanent measures establishing acceptable safety levels for a variety of foodstuffs.

"Europe is a group of relatively small countries with a lot of trade among themselves," Mr. Brenton said. "We want to keep that trade as untrammelled as possible, and that is why it is so important to have a uniform set of rules."

The subject is likely to come before EC foreign ministers when they meet Oct. 19 and 20, he added.

But experts have not agreed on where to draw the line. West Germany has said that in the absence of agreement, it will continue to enforce the existing level of becquerels more than 600 becquerels a kilogram for foodstuffs.

But mushroom-lovers are still left in a dilemma, to eat or not to eat? The advice of Mr. Bengtsson, the Swedish expert, is to keep enjoying, but in moderation.

"It's not going to the forest to pick wild mushrooms as usual," he said. "You don't eat them in large enough quantities to be affected."

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Tamils Kill 8 Soldiers and 3 Officials

By Richard M. Weintraub
Washington Post Service

NEW DELHI — Tamil separatist guerrillas killed eight Sri Lankan soldiers and three government officials Tuesday in their stronghold in northern Sri Lanka, in an upsurge of violence that threatened to undermine an Indian-backed peace agreement.

The Liberation Tigers of Tamil Eelam said the slayings were in revenge for what they characterized as the forced suicides of 12 of their men, including two regional leaders, who swallowed cyanide pills Monday as government troops were putting them on a flight from the Jaffna Peninsula to Colombo, the capital.

Officials in New Delhi acknowledged that the two-day toll had dealt a severe setback to efforts of the Indian peacekeeping force in Sri Lanka to bring an end to the

violence that has shaken the country for five years.

Three government soldiers were reported to have been wounded in attacks by the Tigers on two army camps on the peninsula.

"It will take us weeks to try to get back to where we were" in progress toward ending Sri Lanka's ethnic strife, said an Indian official.

Other observers said the sudden surge of violence, including the fatal shooting of an Indian soldier late last week, had placed India's peacekeeping effort in a precarious position.

There were no signs that India was reconsidering its increasingly exposed position in the conflict, however.

"Neither side really wants us to leave," said an official. "There is a lot of pressure for us to act more forcefully, but that is not our style. Once you shoot an arrow you can't

get it back and you can't be sure it will do what you want it to do."

The cyanide deaths at Jaffna's Palaly airbase Monday and the killings of the soldiers Tuesday underscored the fanaticism of the Tigers, the main Tamil guerrilla group, and the difficulties in putting the accord into effect.

Tiger guerrillas, many in their teens, often wear cyanide capsules and vow to commit suicide rather than be taken alive. Very few have ever been captured.

A peace agreement signed two months ago by President Junius R. Jayawardene of Sri Lanka and Prime Minister Rajiv Gandhi of India brought hopes of an end to the bloodletting between Sri Lanka's majority Sinhalese community and its minority Tamils, whose guerrillas have been fighting for a separate Tamil state.

Indian officials say they have succeeded in getting Tamil guerril-

la groups to turn in much of their weaponry, including most of their machine guns and mortars.

"They no longer have the capability of carrying out guerrilla warfare," said an official.

Yet a spate of small-arms attacks, many by one Tamil group against another, has left Sri Lankan authorities nervous.

In addition, the Tigers refused to endorse the peace accord until about a week ago, when they agreed to cooperate in forming a joint governing council for Sri Lanka's Northern and Eastern provinces, as called for under the accord.

Within a day, however, the group's leadership withdrew its endorsement of the makeup of the provisional council, drawing sharp criticism from Colombo and New Delhi. The action also opened the door to renewed violence.

Before Monday, the surge in violence was mostly in Eastern Province, which is divided almost equally among Sinhalese, Tamil and Moslem Sri Lankans. Recent attacks there included four on Indian peacekeeping units, apparently by government irregulars or local police.

When 17 of the Tigers were taken into custody on a boat off the Jaffna coast, it became a test of the peace accord and the three major players under it: India, the Sri Lankan government and the Tigers' leadership.

Sri Lankan authorities insisted that the boat was carrying heavy weapons and was illegal under the agreement.

The Tigers insisted that their men carried only personal weapons, tacitly acceptable in the short run under the accord. They said the men would commit suicide if the Indian peacekeeping force allowed the government to move them from the main government base on the Jaffna peninsula, which is also the main Indian Army headquarters for Sri Lanka.

"If our cadres and leaders are allowed to die," a spokesman for the group said, the Tigers "will not be bound to observe the cease-fire and cooperate with" Indian troops in "maintaining peace in the Tamil areas."

Just how the suicide scene occurred Monday remains unclear.

On Tuesday morning, according to reports from Colombo, the Tigers informed the Sri Lankan Army that the bodies of eight soldiers could be found at the Jaffna bus station. The soldiers had been captured March 23 at an outpost near the town of Jaffna.

Later, a police constable was reported killed in the town of Vavuniya, and the manager and deputy manager of a government-owned cement plant on Jaffna's northern coast were gunned down in their offices.

130 Killed in Uganda Mystic's Force

KAMPALA, Uganda — Hymn-singing followers of a rebel priestess launched suicidal attacks on Ugandan troops on Monday and 130 were killed, government field commanders reported.

The followers of the priestess, Alice Lakwena, died like hundreds before them — charging into battle in eastern Uganda smeared with a magic ointment they believe protects them from bullets.

More than 500 members of Miss Lakwena's Holy Spirit movement are reported to have been killed in the last four days, and tallies of the dead in the rebellion total several thousand.

But Miss Lakwena, who is described by Ugandans as a beautiful and devout prophetess in her early 30s, still has an army of at least 5,000 in the field.

A Defense Ministry statement, carried by the Uganda radio, said the army killed 280 rebels from the Holy Spirit Movement in a major battle in the southeast on Friday.

Kampala press reports said the priestess broke

through an attempt to encircle the remnants of her force, taking with her a long-range field gun hauled by donkeys.

The Roman Catholic newspaper Munno said villagers burned 12 rebels alive and clubbed others to death. The Defense Ministry appealed to villagers to take prisoners.

The fighters, all drawn from the Acholi tribe of northern Uganda, believe that the priestess is a living saint and a powerful sorceress. They go into battle poorly armed and fight with their trousers rolled to the knees.

More than 1,000 of them have been killed in suicidal attacks on government positions in eastern Uganda this year.

The government has not disclosed its own casualties, but reporters who visited the battlefield put the number of army dead at 26.

Several more conventional guerrilla groups oppose President Yoweri Museveni's government in northern and eastern Uganda, but the Holy Spirit Movement has taken the brunt of the fighting.

Bucharest Political Shake-Up Widens

VIENNA — President Nicolae Ceausescu, demanding an overhaul of Romania's sagging economy, has reshuffled his ministers and ordered expulsions from the Communist Party Central Committee.

Mr. Ceausescu blamed arrears and failures on bad management.

"It is therefore necessary to change completely the work style and methods in all sectors of activity," Mr. Ceausescu told the Central Committee on Monday, the Agence France Press reported.

Romania has succeeded in halving its debt to the West, to \$2.5 billion, since 1981. But the drive to cut the debt led to austerity that is among the harshest in East Europe.

There are shortages of heating fuel and food, frequent power cuts and, after disappointing five-year plan results for 1981-83, exports slumped by 11 percent last year.

Mr. Ceausescu, in power for 22 years, has shown no enthusiasm for the reformist policies of the Soviet leader, Mikhail S. Gorbachev.

Since a visit by Mr. Gorbachev in May to urge greater openness and change, the Soviet media has given frank coverage to hardships faced by Romanians.

At least 18 ministers have been dismissed or reshuffled in the past five weeks. Western diplomats said that is a high number even for Romania, where Mr. Ceausescu often rotates senior officials in a policy

that he argues helps them to perfect their work.

The changes appeared to take on a new complexion when the interior and justice ministers were replaced at the weekend. Most reshuffles had been in energy and other economic sectors.

The former state security chief and deputy interior minister, Teodor Postelnicu, replaced Interior Minister George Homostean, and Maria Boba, formerly deputy minister of justice, took over from Gheorghe Chivulescu as minister.

"Those are more than the usual merry-go-round," a diplomat said. "It's big news, but how exactly to read it is premature."

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Herald INTERNATIONAL Tribune

The Real Story on Jobs

Unemployment in the United States inched down to 5.3 percent in September with hardly a whiff of inflation, and the White House is crowing. The administration certainly can take credit for keeping a heavy foot on the fiscal accelerator, stimulating the economy by running its amazing budget deficits. But the country's capacity to sustain high employment with stable prices results largely from broad trends beyond the immediate control of policy. The real question is not who should get the credit, but whether Washington can contain the political forces that would reverse the gains.

enough work without overheating prices. Now America's luck has turned. New entries to the labor force are falling and most workers displaced by imports have found other jobs. Meanwhile, foreign competition continues to discipline labor markets; business rarely offers wage increases greater than productivity gains, even where labor is scarce. The stratospheric oil prices of the '70s generated sufficient supplies to render oil prices insensitive to modest changes in consumer demand. Other commodities are also in chronic glut for a variety of reasons—the Green Revolution, stagnant demand from Europe, the versatility of synthetic substitutes for fibers and metals. All this suggests that the economy should be able to absorb millions of marginally qualified job seekers in the next decade, striking a mighty blow against poverty without new inflation. But leaner, more flexible economy has made life harder and riskier for many businesses. The outlook for employment could turn dim if Washington succumbs to demands for a corporate safety net. Congress has been sensitized to the inflationary threat posed by, say, tighter quotas on clothing imports or deregulation of airlines. But other inflationary ideas have stirred too little alarm. Like punishing countries that export commodities produced in the United States, cartelizing U.S. food production and limiting cheap foreign uranium to a third of the domestic market. Americans without portable skills or the money to attain new skills have been badly bruised by a decade of convulsive change. That sacrifice ought not to be rendered meaningless just as the fruits of economic restructuring come within reach of those most in need.

—THE NEW YORK TIMES.

Reach Out to Mozambique

The fate of struggling, bereft Mozambique may not weigh greatly in the geopolitical scales, but this former Portuguese colony has become the object of an intense ideological tug of war. The argument is between those who consider Mozambique Marxist and Soviet-oriented, and therefore a fit candidate for liberation under the precept of the Reagan Doctrine, and those who see in President Joaquim Chissano a lapsing Marxist whose pragmatism and, above all, whose desperation to save his country from South Africa and from underdevelopment, make him a fit candidate for Western cultivation. We think Mozambique is a country well worth the West's reaching out for. Certainly President Chissano, who was received Monday by President Reagan, is making a big push to strengthen and display his Western ties, even as he takes economic and military aid (but no troops) from Moscow. The most interesting aspect of the American argument over Mozambique, however, lies not so much in its terms as in the principal parties to it. The parties are, as you might expect, Ronald Reagan and liberals to his left. The parties are Ronald

Reagan and conservatives to his right. As a country where an ostensibly anti-Communist resistance is going on without American backing, Mozambique has become a symbolic cause for hard-core conservatives. They demand that Mr. Reagan conduct there the rollback policy he is conducting elsewhere in places where Marxists came to power in the past decade. To his credit, Mr. Reagan is resisting these urgings. His more subtle and pragmatic policy sees Mozambique's Renamo guerrillas accurately as clients of unregenerate South Africans and Portuguese, recognizes the African nature of Mr. Chissano's leadership and welcomes the opportunity for the United States to perform a limited but useful service of diplomatic brokerage between South Africa and Mozambique. The issue comes soon to Capitol Hill in the form of an administration-backed effort to end last year's congressional ban on including Mozambique in an important regional transport project. Among Renamo's champions there are those like Senator Jesse Helms who appear immovable on the issue, and those like Senator Bob Dole who should know better.

—THE WASHINGTON POST.

Diplomacy at a Discount

Unless Congress decrees otherwise, the United States soon will be closing 15 overseas diplomatic posts, including two embassies, and laying off 1,300 employees from a State Department payroll of 22,000. Congress proposes to slash a crippling 23 percent, or \$767 million, from the department's budget. And this is being inflicted by the same lawmakers who piously bewail Washington's declining global influence and risky dependence on foreign nations. These prospective cuts represent the mentality of a banana republic, not a great power. Diplomacy is a start line of defense and the front line of peace. The desire to reduce the federal deficit makes sense. But the cuts are far from equitable and sensible. The same Congress that begrudges diplomacy approves by voice votes billions for pork-barrel programs. And it is not just a matter of pouring money into vote-getting domestic programs. Congress

has disproportionately cut State Department operations overseas compared with overseas missions of other departments that employ 70 percent of U.S. personnel abroad. The lawmakers are playing dice with the country's security: America's Foreign Service officers supply the bulk of political and economic intelligence. They often work under the worst and most dangerous conditions, as in Lebanon. Now they are asked to do more for less, and are blamed for failures to improve embassy security in Moscow—which is a bit much coming from legislators who for years showed so little interest in repeated appeals for needed security funds. No housewife would sensibly economize by canceling fire insurance. That is what Congress proposes to do—unless the Senate rises above the House's banana republic reflexes and reinstates money denied a federal department as vital as it is vulnerable.

—THE NEW YORK TIMES.

Free Trade Has Its Risks

At the last moment, President Reagan and Prime Minister Brian Mulroney wanted a free-trade agreement badly enough to take risks. They were right to do it, for this agreement can bring important benefits to both countries. But the risks are not minor. The two governments now have to enact legislation to bring the agreement into effect, and each commander will have to deal with heavy sniper fire from entrenched protectionists. This free-trade zone was conceived by both governments to set the world an example of enlightened commercial relations. Some experts objected that it pointed toward bilateral deals rather than worldwide rules. The answer was that the system of worldwide rules—the General Agreement on Tariffs and Trade—was becoming creaky and obsolete. The Canadian-American agreement can set a standard for the GATT. As the talks went on, they inevitably got entangled with shoes and ships and sealing wax—all the grievances over specific com-

modities that are the substance of trade policy. But the most difficult of the differences seems to have been resolved ingeniously. Canadians do a lot of subsidizing, but much of it is irrelevant to exports. They feared U.S. companies would use the congressional complaints about these subsidies to tie up Canadian exports in litigation. The solution is to be an international tribunal. It will abide by each country's law but guarantee that the law is fairly applied. If U.S. companies are right in saying they only want orderly enforcement of rules against unfair subsidies, they have nothing to lose. If Canadians are right in saying that the United States has indulged in stretched, tendentious readings of the law, this tribunal will correct it. Next comes a fierce attack on the agreement by all the industries in both countries that find the idea of expanded competition to be deeply threatening. They are entitled to a hearing. But they don't deserve to win.

—THE WASHINGTON POST.

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A Troubled Maghreb Looks Past Bourguiba

By John K. Cooley

LONDON — When President Habib Bourguiba drank a glass of orange juice at high noon in the holy city of Kairouan one day some 25 years ago, it was one of those simple acts that can change history. Several more recent acts may have postponed a revolution. On Sept. 7, a Tunis court spared the life of a Muslim fundamentalist leader, Rachid Ghannouchi, but sent him to prison for life. President Bourguiba, warned of the fundamentalists' growing boldness, reshuffled his cabinet, appointing as prime minister a professional soldier with a reputation as a tough security chief, the minister of state for the interior, Zine al-Abidine Ben Ali. Islamic Jihad, the pro-Iranian group in Beirut, has threatened to murder Tunisian leaders if the death sentences against seven of the 90 fundamentalists tried last month are carried out (five of the seven were sentenced in absentia). But for the moment, Mr. Ghannouchi, one of

zealots. The zealots must never rule." What has happened to reverse Mr. Bourguiba's work, to infuriate Tunisian youth with prayer, the Koran and cover-up dress for women who once preferred jeans? What has imparted a new fundamentalist vision to so many Tunisians? The government's most facile answer is: Ayatollah Ruhollah Khomeini's Iranian revolution. Tunis broke diplomatic relations with Tehran in March, charging that the ayatollahs were sending arms, money, tracts and agents to spread Iran's clerical style of rule into North Africa. Iran was blamed again in the trial of Mr. Ghannouchi and the others last month. But Western policy makers, puzzling over a response to Islamic revivalism, would be well advised not to spend too long blaming Iran for Tunisia's troubles. The Khomemist brand of Shiite Islam looks no ideological appeal for Tunisians. It is a problem that predates labor troubles, student revolts and food riots for several generations before the French protectorate of 1883-1956. Sunni Ottoman Turks have ruled in Tunisia since the early centuries of Islam. True, there are still some bad habits in North Africa: their doctrine is an old offshoot of Shiism. They come from the Tunisian island of Djerba and Algeria's M'Zab region. But most are hard-working and frugal merchants. They care little for secular or religious politics.

The real struggle in North Africa today is economic, not religious; it is about survival.

There is a different problem behind the religious revivalism in North Africa and the terrorism it can breed (the Tunisian trial last month dealt with hotel bombings in August that injured 13 persons; and there have been problems in the Algerian countryside with armed extremists). It is a problem that predates labor troubles, student revolts and food riots in Morocco and Tunisia from 1980 to 1984, and which could threaten Colo-

Mr. Bourguiba's most formidable opponents, has not been made a martyr. Still, the United States and Western Europe soon will have to face the consequences of Islamic resurgence throughout the Maghreb, or Arab West, as the Arabs call North Africa. In a way, it all began with Mr. Bourguiba's defiant consumption of that glass of orange juice long ago. It happened in the fasting month of Ramadan. Believers are supposed to take no food or drink in the daytime unless ill or traveling.

Mr. Bourguiba drank the juice in view of television cameras and thousands of religious notables and ordinary Tunisians. It set the tone for the secular reforms he brought his country in the years to come. Mr. Bourguiba was belligerently playing his role that day not only as a benevolent dictator but as a teacher of his people. He was demonstrating that fasting could be harmful to health and productivity at work. He went a step further and ordered cafés and restaurants to keep normal hours, even during Ramadan.

This was a small but crucial part of the long campaign by the "Supreme Combatant," as Mr. Bourguiba enjoys being called, to separate religion and state in Tunisia. Monogamous marriage, divorce and voting rights for women, encouragement of Western dress, equal educational and professional opportunities for women, and the secularization process that Mr. Bourguiba began soon after wresting independence from France in 1956.

I interviewed him in 1965, after his return from a Mideast trip. He drew public scorn but private approval from Arab leaders like President Nasser of Egypt by urging peace talks with Israel based on United Nations resolutions for Palestine. Tunisia has to become a modern state," he told me. He was talking about our foreign invaders, from the Phoenicians to the French. We are an Islamic country, and we're good Muslims. That doesn't mean that we are

delays. The crops have failed and people will die without new aid, but TV is tired of Africa. Ethiopia in July. It deeply affected British viewers and helped raise \$10 million for the relief agencies. Mr. Buerk returned to Ethiopia in October after his bosses phoned him in Johannesburg to say that the rival commercial channel was preparing a feature on famine in Africa. The powerful film that resulted from this trip was due partly to unsung heroism of a cameraman, Mohammed Amin, and partly to a stirring commentary by Mr. Buerk. It gained extraordinary impact from an unforeseen event—the death

They May Starve in the Dark This Time

By Jonathan Power

was delayed for a month and a half while visas were negotiated. British networks, with smaller and more mobile crews, had been taking more interest for some time. Michael Buerk, the BBC correspondent in Johannesburg, did a filmed report from the camera of a 3-year-old child, the last of her mother's children. The report caused an enormous jolt in Britain. NBC has first rights to all BBC international reports, and NBC's London bureau chief viewed the report on the day it was broadcast, Oct. 23, and advised New York to air it at once. Senior producers said they wanted a day to reflect. The London bureau persisted and finally persuaded Paul Greenberg, the executive producer of NBC Nightly News, to view it. He saw a partial clip and was convinced. He asked London to send the whole report. It arrived at 5 P.M., just as the newscast was assembling the night's broadcast. There are few times when a newsroom can be brought to complete silence, said Mr. Greenberg, and this was one of them. "All the side talk and worried preparations for the evening broadcast, all the gossip and talk of the political campaign just stopped. You felt as if you'd been hit in the stomach. Immediately after the transmission ended the phones rang off the hook." CBS and ABC and networks all over the world took up the story, making it an unparalleled cause célèbre. NBC said that it would run continuous reports on the famine. To their credit, the Western media stayed with the story for more than a year. Bob Geldof's Live Aid concert in July 1985 and the Sport Aid races in May 1986 helped keep it going. But inevitably, interest waned. By early summer last year the spotlight was all but turned off. This time around, one wonders what it will take to switch the television cameras on. Compassion fatigue is running deep. Africa's wars and its battle with AIDS are more visually compelling stories. Even they often produce a shrug of indifference. Africa is torn end to end by seemingly intractable problems. What it badly needs is steady commitment from the outside—not just sacks of grain sent hurriedly during crises of drought and hunger (though such aid is important), but a long-term effort to help construct and sustain agricultural projects that can reverse the downward slide. Thanks to the outpouring of generosity in 1985, there is a good deal of that under way. But new commitments are needed every year, even when the TV eye is averted. Putting African agriculture back on its feet is the work of a generation, and television should do its part to keep reminding us of that.

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100, 75 AND 50 YEARS AGO

1887: Russia and France

PARIS — The Figaro publishes a dispatch from Dunkirk giving details of the speech by Grand Duke Nicholas of Russia. The text is: "France is preparing for her revenge, and she is doing well. Nevertheless, she shows much good sense in not allowing herself to be excited by the continual vexations of her neighbor. She must continue to make ready and to perfect her armaments, while turning her soldiers into such heroes as by their great feats of arms they have made a name in history. Russia, on her side, is not inactive. Her principal aim is to destroy the influence of Germany... Before long our Government will be entirely composed of men whose sympathies are French. Until that time, let France remain calm..."

1912: Treaty Is Reached

GENEVA — Italy and Turkey have reached an absolute agreement on the principal points of a treaty. They are:

The French Grow Fond Of Stability

By Flora Lewis

PARIS — The French campaign for next spring's presidential election may well confirm a watershed in the history of republican France two centuries after the revolution. The violence, the terror and the passion of 1789 have left France deeply divided for most of the time since. The pendulum swung drastically from one side to the other, but the chasm between left and right remained. Now, however, the issues have narrowed. Talk about "changing society," the left's slogan in 1981, or "the fate of France," the right's rallying cry in 1986, is no longer convincing. The pendulum has slowed way down, coming much closer to the traditional American question of which set of scandals should be in and which set out. This is a profound change for France and suggests a new political stability, though it can also mean restraint on government ability to take initiatives. It is largely the result of the Socialist triumph in 1981, and the victory of the rightist coalition in the legislative elections of 1986, producing power-sharing between President François Mitterrand, a Socialist, and Prime Minister Jacques Chirac. The French call it *cohabitation*.

At first, it was taken as a risky but short-term aberration. The politicians on both sides had to make it work because the voters would punish whoever side brought it to collapse. Now it is becoming clear that the voters rather like a system that imposes checks and balances that did not previously exist, that reins in the scope for political free-wheeling. The succession of left and right governments demonstrated that neither side has a sure cure for French problems. Both sides promised to solve unemployment and it is still going up. Both sides promised dramatic investigations of the economy and it has not arrived. Some gloomy economists even expect Italy to overtake France in national output within a few years, whoever wins the election. The number of people who think the election will make a huge difference no longer seems big.

Polls show a surprising popularity for Mr. Mitterrand despite his party's definite minority standing. There is no chance that the Socialists could go on to regain a party majority in the legislature. He probably would not dissolve it, so re-election may depend on whether the voters want to prolong cohabitation for the remaining three years of the legislature's term. If they do, Mr. Mitterrand, who is 71, is likely to be given another seven-year term and the voters would have another chance to endorse or reject cohabitation in the 1991 assembly elections. Even if they do not, the new president would be expected to restrain himself and not turn the legislature back into the abject rubber stamp that it was in the Gaullist years.

This amounts to a transformation of the Fifth Republic. It reflects the change in French society that has taken place since the great confrontation of 1968 and the decline of the Communist Party. With the Communists on the margin, the stakes of the struggle are lower for all but the class politicians. The wonderful French phrase for the small group that does not practice, watching, or backing politics. This shows in the petty, personal patronage issues of the campaign and will no doubt keep it dull. Unlike in America, the candidates are all known, though several have not yet declared, and none are being knocked out. The big surprise would be if Mr. Mitterrand retired, which is not likely. Mr. Chirac and former Prime Minister Raymond Barre are the main contenders facing him. The role of Jean-Marie Le Pen, the nationalist ultra-rightist, provides what emotion there is in the campaign; while it is nasty, it does not change the basic shift of contention to control of the growing but ill-defined center.

There has always been an endemic extreme-right fringe in France, waxing and waning in response to single issues. In the 1960s, it was Pierre Poujade whose movement was against rising taxes. In the 1970s, it was Philippe Nicaud, reorganizing shopkeepers up in arms at the rise of supermarkets, an attempt to stem modernization of the retail distribution system. Mr. Le Pen's issue is uglier: racism and the advent of multiculturalism challenging the traditional French sense of identity because of Arab and African immigration. But that, too, will fade because the immigrants are here to stay and will eventually assimilate. As it prepares for its bicentennial, republican France is settling down. It is a good sign for France's allies.

The New York Times.

OPINION



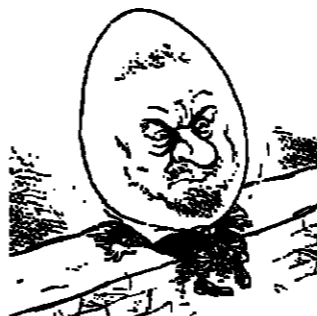
Habib Bourguiba by Douille.

nel Moammar Gadhafi in Libya, if the economic disaster brought by lower oil prices and the colonel's doctrinaire mismanagement grows worse. The problem is that the population has been using in North Africa far faster than the number of jobs. The struggle today is for survival. In Tunisia, the United States assumed the main burden of economic aid after the French left. In the early 1960s, U.S. aid officials would highlight Tunisia, then the highest per capita recipient of American assistance in Africa, as a model of how such help could spur development. But economic aid has dwindled, or been converted to military aid. Throughout North Africa, economic growth has almost ceased. Exports like Tunisian olive oil, Algerian citrus and Moroccan sardines compete with those of Mediterranean Europe. Water resources and farmland are so badly mismanaged that the desert each year overtakes more land where food should be growing. By the late 1960s, the Maghreb is likely to be an international basket case, in Henry Kissinger's phrase. The United States is unlikely to do much about it. The problem will be dumped back in the laps of the former colonial

Judge-Bashing Is a Hazardous Game

By David S. Broder

WASHINGTON — The victory that liberals now boast they will achieve in blocking Judge Robert Bork's elevation to the Supreme Court could be an expensive one. The game of judge-bashing, which they learned from their opponents on the right, ultimately profits no one. It inevitably damages and could destroy one of the major safeguards of U.S. freedom: the independence of the judiciary. If Judge Bork goes down, as seems likely, he would be the second prominent and principled jurist in a year's time to be victimized by a campaign of mass propaganda. The first was Rose Elizabeth Bird, the chief justice of the California Supreme Court. She was removed from the bench in November 1986 in a confirmation hearing that also terminated the tenure of two other "liberal" justices.



Robert H. Dumpty sat on a wall...

The parallels make activists of the left and right squirm, but they are unmistakable. The Senate confirmation process, like the California confirmation election, has been around for a long time. But neither has been used this way before. It is one thing for responsible senators to conclude, on their own reading of Judge Bork's record, that he does not belong on the Supreme Court, or for reputable legal scholars to oppose Justice Bird's continued service on the California Supreme Court, as some did. It is something else when judges are lynched to appease the public.

Justice Bird lost because of the multimillion-dollar, mass media and direct mail campaign mounted by her opponents, and if Judge Bork goes down, it will be for the same reason. Once that gun is drawn, every judge and judicial appointee can be held hostage to the popular passions of the moment. Something precious and vital to American democracy will be gone. There is irony in the fact that the battle against Justice Bird was organized by the conservative supporters of President Reagan, who is decrying the assault on Judge Bork. And liberals like Norman Lear, who were fervent in their defense of

judges themselves were out-of-the-ordinary individuals. Justice Bird, the first woman to serve on the California Supreme Court, was appointed by Governor Edmund Brown Jr. By the time she faced the voters for confirmation, Mr. Brown was out of office and out of favor. Judge Bork, a scholar and teacher whose writings offer endless fodder for intellectual debate, was named by Mr. Reagan in the twilight of his presidency, when other politicians no longer feared his power. Hard-boiled political analysts can look at the two cases and say, "Tough luck, Bird and Bork. Your names came up at the wrong time, and your opponents were smarter, meaner, better-financed and more aggressive than your supporters. That's the way it goes."

But when these tactics are applied to judges is scary. It should send shivers down the spine of anyone who understands the role of the judiciary in American society. History has been marred by moments when a passion seizes the people and goads them to demand extreme action. Genuine conservatives, from James Madison to Robert Taft, and genuine liberals, from Thomas Jefferson to William Douglas, have understood that in such moments, the majority will howl that the offending person's or group's property be seized or their liberties suspended. It is precisely at such moments—when economic or political freedom is threatened by an overwhelming and angry majority, when a president wants to seize the steel industry or conduct mass arrests of demonstrators—that the independence and integrity of the judiciary is America's most precious resource. Candidates for elective office now routinely face battering by public emotions created, through the mass media, by opinion manipulators. To subject judges and judicial appointees to the same propaganda torture tests, whether from the right or the left, does terrible damage to the underlying values of American democracy and the safeguards of freedom. No one wins in such games.

The Washington Post.

OPINION

At Last, for Steinem's Ms., Money to Go With Respect

By A.M. Rosenthal

NEW YORK — Two men are sitting in a restaurant. They see a couple of women they know at another table. One of the men gets up, walks over and says, "Say, what are you two girls doing here alone?"

The preview issue of Ms. magazine was supposed to come out sometime in the winter, but the editors were not sure exactly when it would be ready. So to be safe they put SPRING on the cover. It came out in January, right on time.

That was in 1974. Since then Ms. has been printing on time every month, great-

Ms. Steinem did not create feminism, a statement with which both she and her detractors would agree. Betty Friedan, whose writings were a large part of the intellectual inspiration for modern American feminism, has been rewarded by hostility and incense from much of the women's movement. She and Ms. Steinem have nothing to do with each other. Feminism has as many rivalries and self-defeating feuds as any movement. It is not played with beamers.

But Ms. Steinem became a kind of brand-label for the movement, instantly recognizable throughout much of the world. Much that is printed about her attributes her fame largely to her appearance. Nonsense; many women are attractive and chic, but they do not achieve international reputation. There must be something more; there is.

I have known Ms. Steinem since my reporting days in India, where she was studying on a scholarship. Many of her political opinions, the people she admires and her romanticism about the Third World normally would give me hives.

But she is wonderfully good to talk and argue with. There is an intensity and sharpness of mind, but also a civility of discourse, an ability to explain and teach, that come across in a living room or a lecture hall. That ability to differ strongly without assuming enmity have made her valuable for the movement, outside as well as within.

She reminds me, in those traits, of William F. Buckley, a thought that I trust will test the equanimity of both.

Like other feminist leaders, Ms. Steinem thinks more about what remains to be done than what the movement has accomplished. She says the day will come when women's organizations are not needed — in about the same time as men have banded together, 10,000 years more or less.

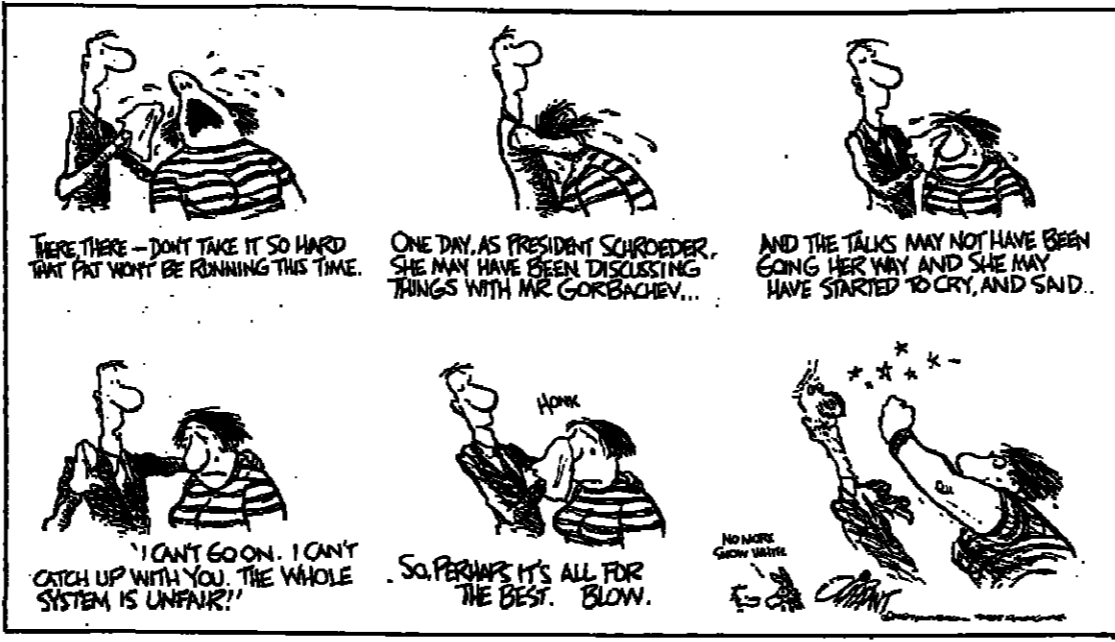
But even short of that day, the movement has accomplished enough so that young women, its chief beneficiaries, take what it has won for granted.

One of the gains is the ground won by Ms. Friedan's teachings that the road a woman chooses is right as long as she is free to choose it herself.

One important current case: There are feminists who criticize Elizabeth Dole for campaigning for her husband instead of staying in the cabinet. But it was her choice, and she is campaigning as a politician for a politician. She may do at least as much for the political power of women in the United States as for the senator from Kansas.

Ms. Steinem might debate that. But there is no debate that she and Ms. are part of feminist accomplishment. The reason that people can laugh when she tells the story about the man in the restaurant is that women like Ms. Steinem have made it seem so long ago.

The New York Times.



From a Bookstore Window, A View of Drugs and Guns

By Colman McCarthy

DETROIT — Men of action who are men of thought are rare. Edward Vaughn is among the few. He has been an executive assistant to Coleman Young, the mayor of Detroit, since 1982. He is the door to Mr. Young's office, the hinges of which shake daily

city riot that took 43 lives and destroyed 1,300 buildings. Mr. Vaughn has owned and run what is now considered the oldest bookstore in America to specialize in Afro-American history, an intellectual passion that he indulges with regular journeys to West and East Africa.

This afternoon he is in northwest Detroit on Elijah Muhammad Boulevard, explaining the lay of the land. "In the middle of this block," he says, "is the mosque where Malcolm X was once minister. That was in the early 1960s."

As he tells stories of local heroes — from the singer Aretha Franklin, whose father was a minister, to the Reverend Martin Luther King Jr., who was a regular visitor to Detroit's churches — he also remembers black writers like Jean Toomer, Claude McKay and T. Thomas Fortune. He has sold their books for nearly 30 years, becoming sold himself on the belief that passing on black culture to Detroit's young is as important as anything he does for the mayor.

Though large, Mr. Vaughn's contribution is but a drop of water in the city's deep well of chaos. Motown is now Guntown. Schools are shooting galleries. Fourteen teen-agers were shot and killed over the Labor Day weekend. Forty-three died in 1986, with 365 wounded. This year the death rate has increased.

"Drugs," says Mr. Vaughn, "are the major problem. If drugs were eliminated, we wouldn't have much of a problem. It's not so much that the kids get hooked on drugs. They sell them."

"This is the first city in America that I know of," he adds, "where kids were brought in to sell drugs."

Mr. Vaughn did not learn this by reading reports on the drug crisis. He saw it through the window of his store, beginning in the mid-1970s.

As drug selling increased, book selling decreased. Some years, Mr. Vaughn had sales of \$500,000. When the gross went below \$20,000, he entered politics. In 1979 and 1980, he served in the state legislature. Before that, he taught African history in Detroit universities.

Mr. Vaughn recalls that the mid-1970s was also the time when schools began to lose interest in the teaching of black history and culture in high schools and colleges. And, he says, political elections were occurring: "the moving away by the federal government of programs designed to help the black community."

In the early '70s, after the fires were put out in Detroit, Los Angeles and other cities, black pride was used as a social force. Edward Vaughn believed in it and built a small business around it. His store was able to compete in the marketplace against every business but the drug business. When the handguns come out and are fired in the war over drug profits, not only teen-agers are being killed off. Books and ideas are dying, too.

Washington Post Writers Group.

MEANWHILE

because Mr. Vaughn's work includes handling all constituent complaints, all police complaints and appearing at all public meetings with Mr. Young.

When all the ails are added, he still has room for another life — the bookman's. Since 1959, which in Detroit's measurement of time means eight years before the

borne out by his statements and judicial record. William Safire has confused "conservative" with "reactionary."

KEITH ERVIN, Paris.

Judge Bork objects to the Supreme Court decision in Griswold vs. Connecticut on the ground that he can detect no guarantee of the right to privacy in the U.S. Constitution. I would have thought that the use of contraceptives in the privacy of one's home was protected by the right to "liberty and the pursuit of happiness."

GRANT BROWN, Oxford, England.

The Reality of Race

I can't get my mind off Anthony Lewis's opinion column, "For the American Far Right, Black is Red" (Sept. 21). It should change some readers' views. Unfortunately, it will not. Disraeli said it all a long time ago: "The only truth is race. There is no other."

After years of watching Californians vote on various initiatives, I've reached the point where I believe that if a secret ballot were held on the issue "Should blacks be returned to slavery?" there would be a two-thirds "yes" vote! The Falwells and Helmses take advantage of this to get money and votes.

What can be done? I don't really know. Change will be long and painful.

FRANK BRADLEY, Melbystrand, Sweden.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

LETTERS TO THE EDITOR

In the Light of History, Bork Casts a Revisionist Shadow

Celebrating the anniversary of a document, even if it is the "sacred text" of the most wonderful form of self-government yet invented, is odd. If I had been home I would not have traveled to Philadelphia for the parades and oratory. Such activities do not summon the appropriate sense of reverence or gratitude. By good fortune, however, I was invited, beginning on Sept. 17, to attend a three-day colloquium on "The Theory and Practice of Constitutional Government" in the Palais de Luxembourg, the splendid Paris quarters of the French Senate. The hall echoed with the thoughts of great men of the Enlightenment, as American and French scholars engaged in theoretical discussions that transported this listener back in time.

One nagging thought, however, pulled me toward the present. I could not forget, as I sat listening to the strains of constitutional history, that the Judiciary Committee of the U.S. Senate was listening to a different voice on the subject of the intentions of the framers and the meaning of the U.S. Constitution — the voice of Judge Robert Bork.

There was little in Judge Bork's view that reflected the importance of the judiciary's role in maintaining the division of powers which Madison and Montesquieu before him, deemed so crucial. Nor did he seem to recognize that the liberty of individuals, the security of which Jefferson and later the framers considered the primary purpose of government, could not be guaranteed by any set of words alone but required institutional and procedural protections. Nor did he seem to appreciate the perceptivity of another French observer, de Tocqueville, who noted that the unique contribution of the American Constitution was that those institutional and procedural norms were to be established and preserved by an independent

judiciary; a judiciary which is indeed political not only because it finds its power in the supreme political document but more fundamentally because its original and enduring role is to preserve individual freedom even against the will of democratic majorities.

In our time this has meant that the U.S. Supreme Court has opened the way for racial integration in schools and workplaces; has helped to enfranchise large segments of the citizenry previously excluded by malapportioned districts, property requirements or literacy tests; has made it possible to reduce discrimination in public accommodation, the workplace and housing; has resisted the tendency of religion to intrude into government's secular functions; has exposed and eliminated some of the diverse forms of sex discrimination in American society; and, to a degree, has shielded individual autonomy against the imposition of the moral judgments of politically powerful groups.

Each of these developments has occurred through the traditional judiciary process of elaboration of the text and case law of the Constitution. Most of these developments have been embraced by society and incorporated in state and national legislation; none has been rejected by lasting majorities. Yet every one of these advances, at one time or another, has been opposed by Judge Bork.

When one is privileged to reflect upon the Constitution in the light that history sheds, a light that reveals not just words but the enlightened concepts of its authors, French and American, then one realizes that Judge Bork is a constitutional revisionist.

There is every appearance that the Senate, in the exercise of its constitutional role, realizes this and will say "no" to his nomination. If it does it will demonstrate that as America enters the

third century of constitutional rule the true voice of history still speaks to us.

ARTHUR L. BERNEY, Geneva.

The writer is a professor of constitutional law at Boston College.

Regarding the opinion column "Free Speech: It's Bork Vs. Tradition" (Sept. 4):

Anthony Lewis asserts indignantly that Judge Bork "wants to tear up settled understandings of the U.S. Constitution, root and branch."

Mr. Lewis had quite a different attitude in the Alan Bakke case in the '70s [in which Mr. Bakke, a white man, claimed "reverse discrimination" after being denied admission to a California medical school; the Supreme Court ruled he must be admitted]. Then, he was against "legal absolutes." I quote from his column of Sept. 22, 1977: "In an often lawless world, it is good that Americans thirst for principle. But we put too much on even our remarkable judicial institutions if we ask them to reduce shifting and indefinite social problems to legal absolutes."

K.H. HECHT, Solna, Sweden.

The question about whether there is "a right to privacy" established by the U.S. Constitution should be turned on its head. The point is whether the Constitution takes away from the individual his or her right to privacy, which is a natural one, and gives a right to intrude upon it to some other party.

ELIZABETH YOUNG, London.

Regarding the opinion column "And in the Opposite Corner, A Senator Out of His Depth" (Sept. 22):

Judge Bork is not being "bespattered with charges of racism, sexism, hypocrisy and dishonesty"; these charges are

For Wives, It's Different

ELIZABETH DOLE resigned to help her husband campaign, though he will keep his Senate seat. "It's somehow different for wives," the transportation secretary said. By resigning, she reinforced the inequity. She assures us there was no suppliant pillow talk. Instead, the unchanged conventions of society directed her to abandon her professional autonomy and live up a job she says she loves. The odds are Mrs. Dole won't get to the White House. She has provided a sad example for working wives.

Jean Baker, a history professor and biographer of Mary Todd Lincoln, writing in the Los Angeles Times.

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Opportunities to give pleasure are often easier to find than the appropriate gifts to go along with them. So if you're looking for a unique and exclusive way to reward a deserving employee, good friend or even yourself, why not do it with a touch of class? That is, with a First Class Swissair ticket. Offering entry into their luxurious world above the clouds to over 100 dream destinations the world over. A loftier gift idea just couldn't be imagined.



ARTS / LEISURE

Rise of the Byblos Woman

Compiled by Our Staff From Dispatches MILAN—Milan seems to have discovered the fountain of youth.

Gone are the days of classic tailored clothing that put this staid northern Italian industrial city on the fashion map, replaced by clothes so young and sweet they could be his at a kid's birthday party.

Springtime romance and freshness permeate the runway of the Trade Fair Center where the top Italian designers are presenting their spring-summer 1988 ready-to-wear collections this week.

It is hard to imagine next summer's Milan lady anywhere near the office in her ruffled miniskirt, spiked heels and short bolero jacket to reveal plenty of bare midriff.

Perhaps less eye-catching, but no more practical for city life, are the myriad of short chintz party dresses in delicate floral prints, with hooped skirts and demure puffed sleeves and such accessories as tiny white gloves, corsages and straw sunhats.

Best at this look were two romantic Englishmen, Keith Varty and Alan Cleaver, who designed the Byblos collection.

The Byblos woman has never heard of the industrial revolution or the feminist movement, and like her turn of the century counterpart, strolls blissfully through the park—symbolized on the runway by a peach colored willow tree—in floral printed party dresses and wide brimmed straw hats laden with silk roses and complete with heavy face veil. She wears long gloves and her hair is pinned up in back by a floral barrette.

As an extra party favor, Byblos offered a series of gaily colored, upper short full skirted linen dresses in bright fruit shades, which were paraded down the runway to a 1950s hit tune "Lollipop."

Karl Lagerfeld for Fendi also

adopted the party line in full petticoated floral print minidresses with oversized puffed sleeves, and matching wide-brimmed hats. The facetious designer, however, completed the outfit with white knee socks and white sneakers with bright lipstick red laces: the new Fendi warm weather color.

Along with the chintz floral patterns, Lagerfeld favored youthful taffeta plaids, and cheerful garden colors for his miniskirts and dresses.

Tai and Rosita Missoni paired short snug jackets and waist-length summer-knit cardigans with bubble skirts, tiny tubes and shorts.

The Missonis are famous for the way they put colors together. This time they combined soft old rose with violet, lemon yellow and chartreuse and dark blues and greens with a rusty terra cotta.

The models wore lace stockings with flat sling-back shoes, pigtail down their backs and versions of the flat-brimmed Chinese coolie hat but the Missoni prints often had more of an Aztec look about them.

Romeo Gigli has developed his own style, which involves clothes in stretch fabrics that are fitted so snugly no bulge goes undefined. Short tight tops bare a sliver of flesh at the midriff. Still, his newest blouse falls from small, natural shoulders and billows out around the hips. He says the shape reminds him of an upside-down flower.

The blouse is usually shown with pants, and, in fact, his collection has quite a number of pants. They are also shown with either snug or oversize jackets.

Why so many trousers this time, Gigli was asked. "Because I don't like puffy skirts," he answered.

His models look less dreamy than they did in earlier shows. Their hair is slicked back into knots and anchored by many silver-colored



The Byblos look for evening (left) and daytime.

headbands, combs, and barrettes, all worn at the same time. They look more assured, and so does the designer.

The big question is: Who can wear such youthful attire? "It's not enough to be young at heart," said a buyer for a New York boutique. "You have to have a young body and face to match."

Said Lagerfeld of his new collection: "It is intended to give women permission to misbehave."

Three Plays By Dramatist Of Promise

By Sheridan Morley

LONDON — Sam Walter's Orange Tree in Richmond has long been among the best and bravest of London's fringe theaters, and with "Definitely the Bahamas" he establishes Martin Crimp as a dramatist of considerable promise. Hitherto best known for radio

THE BRITISH STAGE

scripts, Crimp is evidently aware of his proximity to another master of the unspoken threat, Harold Pinter, who also started out in radio.

He gives at least one of his three new one-act plays "A Kind of Arden," a distinctly Pinteresque label, while the second, "Spanish Girls," has a program quote from Pinter, and the title piece seems strongly evocative of "A Slight Ache," as a suburban domestic haven is invaded by a mysterious stranger able silently to uncover its ghastly marital secrets.

Yet Crimp has his own dramatic paths to chart, and they are wonderfully followed by Alec McCowen, who has directed the trilogy for the stage but not been afraid of its radio origins and the correspondingly long, motionless stretches of dialogue.

In the first play a young married couple (Amanda Royle and Rob Edwards) on holiday in the Caribbean strike up a poolside conversation with an older woman (Hether Canning), in the course of which it becomes clear that her husband is dying of something unspeakable indoors and that the young man, already proud of having had his wife sterilized, is uninclined to do anything about it.

In the second play, Edwards is the son of a Holocaust victim going to Spain to confront a dying Nazi war criminal (John Moffatt) in the performance of the evening) only to find little more than an old man in love with his garden and horrified by the new skyscraper across the road.

In the last and longest play, Moffatt and Canning are a middle-aged married couple able only in passing to refer to the violence that lies just out of range of the family snapshots.

All three scripts suggest a brittle,

random, quirky gift for sinister anecdotes and veiled insults. All are interlinked by themes of domestic cruelty and social bigotry. These bickering, semi-detached, inconsequential chatters are laced with the acid of real hatred and the blood of marriages in decay.

Crimp is a writer to watch or at any rate overbear, and it would be good to find his talent for sunbaked desolation turned next to ward a less fragmentary full-length plot.

At the Everyman in Cheltenham, Warner Brown's "The Prospero Suite" is a stunningly, if uncharacteristically terrible, little play that sets out from an intriguing and partly factual premise, though its faintly documentary base is nowhere acknowledged. Several years ago, a distinguished and aging British film director appeared in front of a gathering of New York movie critics who were so savage in their damnation of his current production that he was unable to make another film for several years. When he did eventually return to them with a new film after more than a decade in self-imposed exile, it was generally acclaimed as a classic and the very same American critics, gathered now to honor a genius, seemed more than somewhat amazed that he had taken their previous assassination so very much to heart.

Brown's drama wonders vaguely what might have happened in the years of enforced semi-retirement, and tries to deal with a vast range of allied questions about critical integrity and artistic inspiration. The setting is a New York hotel room only slightly less spacious than Westminster Abbey and furnished in much the same way.

There we are introduced to the director (James Greene, looking suitably ghostly), his tycoon mother (Hazel Douglas, looking about old enough to be his second wife), a long-suffering secretary (Diana Payan), a bitchy critic (Beth Ellis) and various other hangers-on all of whom wear the glazed smiles of actors who have read the rest of the script and therefore know ahead of us that it isn't going to get any better.



John Moffatt in "Spanish Girls."

In a series of rambling, echoing and vastly portentous speeches Brown sets up the notion that great artists ought to be allowed to make masterpieces without interference, and that critics ought to be kept in their place, this last a theory I wholly endorse if it means somewhere well away from disasters like "The Prospero Suite."

Halfway through its first scene the author seems to have realized that there may be a certain lack of activity here, so we then get an offstage suicide, some tricky juggling with time present and time past, and a lot of arch references to old Hollywood movies.

If you locked someone up in a darkened room for several weeks with nothing but "Sunset Boulevard" and "All About Eve" for company, this is very possibly the kind of nightmare plot that might emerge. It is mainly notable for lines like "It takes it out of you, being a genius," as well as a breathtaking failure to realize that an anecdote which might have made a couple of useful paragraphs in a critical autobiography is not automatically the stuff of a two-hour stage debate that seems to drag on for several days.

John Doyle directs a long-suffering cast on the principle that if they move around a lot and start occasional games of chess, we might get distracted from some of the more inane and arch stretches of the dialogue. Cheltenham has an enchanting and well-run theater, but if it puts on many more plays like this it will also have an empty one.

Upstairs at the Royal Court, Gregory Motton's "Ambulance," is one of those scripts the management periodically enjoys staging in order to remind its affluent and

trend-setting audiences about the nature of true suffering.

Until you have watched eight actors on an empty stage crashing into each other while performing a ritual dance of death, you have no idea what it is like to spend an evening in the company of a writer who wants to say something about inner-city personal decay but has yet to decide quite what. Accordingly we get a lot of the agony as a night community of derelict drunks, addicts and loonies faces up to the occasional medical raid, but none of the character insight or communal drama that might have led to a coherent comment. Where O'Casey's people lay in the gutter and gazed at the stars, Motton's lie in the gutter and gaze at the gutter. They are allowed a kind of bleak poetry ("You know what beauty is? There isn't any.") but much of it like the play, desperately needs editing and shaping while the characters seem to have been assembled as case studies rather than real people.

This lines of plot concern a mad mother's search for her missing baby and a vague desire to clean up people as well as neighborhoods, but in this urban English "Lower Depths" there is the constant feeling that both the playwright and the director (Lindsay Posner) would perhaps have preferred to have been out there with a documentary unit filming the real horror instead of having to re-create it in artificial studio-beater conditions. Sketchy, fragmentary dialogues and an occasional shriek of random despair add up to a reminder that underneath the arches of Thatcher's Britain a lot of people are mentally and physically more dead than alive, but still not to a recognizable play.

DOONESBURY

5-5-501 WITH 13 MONTHS TO GO, IT'S TIME TO GO, IT'S TIME TO GO, WITH JESSE JACKSON ON DECK, DECK!

AS WE ALL KNOW, CHARACTER IS A TERRIBLE THING TO WASTE! SO WHERE DO I STAND? DO I HAVE A CHARACTER P.P. PROBLEM? NO WAY, SAN JOSE!

IF THERE'S ANYTHING WE CAN ALL AGREE ON, IT'S THAT I'M A C.C. CHARACTER! HA! I LAUGH A MINUTE FOR JUST PENNIES A DAY, DAY!

ACK! CAUGHT QUOTING MYSELF! OOPS, DID IT AGAIN!



ART DIRECTOR: MANDO MELLO - PHOTO: ARTHUR ELGORT

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MARTINI & ROSSI INTERNATIONAL

A WORD FROM THE COUNTRY

BACK TO THE SOURCE

making life exceptional!

COUNT Gregorio Rossi, who has tasted one of the 300 different beverages manufactured by Martini & Rossi, sat the morning reviewing a new Martini advertising campaign at the company's offices on the Champs-Élysées in Paris. Rossi, who was born in Torino 50 years ago and now lives between Italy, Paris and Spain, expressed concern about the need to maintain Martini's family public image. He requested the modifications in the to-be-released presentation, discussed legal ramifications with the corporate lawyers and then chatted about the company which his family founded in the mid-19th century.

What do you think the word Martini means to people?

Whether they drink Martini or not, people usually have a positive reaction when they hear "Martini" because of our trendily publicity and highly visible sponsorship activities.

Many people know that Martini is a light, wine aperitif but few realize it as the best-known product of the General Beverage Corporation (GBC), a multinational company specializing in the production and distribution of alcoholic and wine beverages.

And few consumers are aware that many other products — Porto Offley, St. Raphaël, Noilly Prat, William Lawson's, Cognac Gaston de Lagrange and Vodka Eristoff — belong to a private parent company with over 2 billion dollars in annual sales.

We are a global concern and Martini's evocation of both the exotic and convivial is an ideal corporate symbol for a multinational company with Italian roots.

Why haven't you taken General Beverage Corporation public?

A lot of bankers and folks want us to go public and it is a fashionable and seemingly profitable operation these days but we don't want to make this move because we have developed sufficiently not to need outside capital. And we do not want to be compromised for the time being by the constraints of having to answer to public shareholders. We prefer to be fast-moving, flexible, and independent.

Are you planning more acquisitions or new market developments?

Our strategy is to build or acquire international brands within the alcoholic drinks sector. We want good name brands with a long-term future and our past acquisitions indicate the type of well-known companies we seek to purchase. Once we have a particular product in our stable, we use our marketing, commercial and distribution machine to best position and sell it. We currently lack a champagne and may make further acquisitions in the wine sector.

The products we have acquired are still increasing market penetration and we would like to make all these brands as popular as Martini. This requires a well-orchestrated mix of marketing and the distribution of good, irreplaceable products. We are forming associations to speed this process. For example, earlier this year we began using Bacardi Imports as our distributor in the U.S.

What is Martini & Rossi's principal challenge during the next five years?

We hope to maintain our steady progression of five percent annual growth in volume and ten percent in sales. We want to continue improving our dynamic and innovative management structure. And we must keep producing high-quality products backed by a vast promotional effort and an expanding distribution network.

— Joel Stratte-McClure



A MYRIAD of exciting aromas — including mint, caramel and some of the two hundred herbs and spices mixed and macerated to create the vast array of Martini & Rossi products — linger everywhere at the company's 15-hectare facility near Torino. And Emilio Marocco, one of the firm's managers, instantly identifies every one of them as he strolls through buildings where a variety of beverages are manufactured, bottled, stored and shipped.

This area of northern Italy has been a production center of mixed wines, vermouth and liqueurs since the Renaissance. Today, four million cases of different beverages are produced here yearly by 300 employees, making this the largest of Martini's 23 production sites throughout the world. Fifty percent of the output is sold in Italy while the remainder is shipped to countries where there are no local production facilities, like the United States and Canada.

The facade at Martini & Rossi's traditional two-story Piedmont villa is decorated with the corporate name and the installation is like a small city, containing its own herb garden and a street named via Roma. Walking through the complex, with its surprising smells and intricate machinery, is a bit like being a kid at a chocolate factory. The calm of the sedate company town with a population of 500 is interrupted only infrequently by the Rome to Paris train.

A tour of the site ranges from the manufacturing and bottling of the world's most popular fruity sparkling wine, Asti Spumante, named after the nearby town of Asti, to the herbal room which contains the secret blend that makes Martini Martini. In a laboratory, technicians are checking the quality of Vodka Eristoff, China Martini and other Martini & Rossi products.

"Quality and control at every step of the production process are the key to Martini's success," Marocco explains, betting a visitor he can taste the freshness of aromatic Muscat grapes in a just-opened bottle of Asti Spumante.

But the large wood and steel storage containers, high-tech bottling machines and quality control laboratory vividly contrast with a stunning subterranean Martini museum that attracts 30,000 visitors a year.

Located in the renovated brick-lined cellars, the 18-room museum opened in 1960 and initially included artifacts assembled by Lando Rossi di Monteleza. Today its 500 Etruscan, Attic and Apulian objects, collected with the assistance of the Italian Department of Culture, trace winemaking from the seventh century B.C. to the present.

The oldest objects in the museum, which emits only a slight hint of must and aromatic herbs on rainy autumn days, are Apulian "olpi" used for pouring wine and decorated in early Geometric design on terra cotta.

One room is devoted to wine presses, including those of Pliny and Caro which were in wide use until the first century. Another chamber features ornate and colorful agricultural carts employed to transport grapes during 18th-century festivals.

"The museum gives a touch of Dionysian to contemporary Martini & Rossi," explains Marocco, as he taps one of the old wooden casks and points out a bust of Bacchus.

After the tour, visitors are taken to an expansive room where barman Giuseppe Finello, once he ascertains that they are not spying for a rival, mixes his latest creation. On the wall are plaques showing prizes that Martini won decades ago in St. Louis, Budapest and Dublin. And behind the bartender are the wide range of drinks elaborated by Martini today.

"The beauty of the latest exhibits in our museum," Marocco says, pointing to the wall of different beverages, "is that they have great value but can still be consumed."

— Joel Stratte-McClure

BRINGING BEVERAGES TO THE WORLD

GENERAL Beverage Corporation, a holding company whose chief asset is the Martini & Rossi beverage empire, is completely private and not likely to become a symbol on any stock exchange. Count Gregorio Rossi, a managing director of the Group and member of the Rossi di Monteleza family, descendant of the original founders of Martini & Rossi, explains that the corporation does not require external financing and its shareholders intend to keep GBC completely in their hands in order to maintain independence and flexibility.

Yet GBC has become a \$1 billion company with 4,200 employees manufacturing and selling over 30 products through 80 subsidiaries and affiliates in 25 countries. The Group, a holding company, is run by GBM (General Beverage Management), whose managing directors are Count Gregorio Rossi and Marquis Gianluca Spinola, assisted by Maurizio Cibriario and Fernando Piqué. Analysts agree that GBC's prowess in the competitive wine and spirit industry is largely due to the distribution network it

commands. Indeed, GBC companies combine to form an international production and distribution system that would be difficult to rival. Thirty-two million cases, or some four hundred million bottles, of beverages manufactured by Martini & Rossi are sold each year. And besides giving the group a solid strategic direction, GBC, through its specialized subsidiaries, provides overall marketing, technical, financial, administrative and data processing services.

All this is a long way from the origins in 1863. Then three partners — Alessandro Martini, Teofilo Sola and Luigi Rossi — took control of an established 18th-century firm in Torino, Italy, which had been producing vermouth, a wine that incorporates aromatic substances and bitter plants.

The new owners moved the headquarters to Pessione, today only a thirty-minute drive from Torino, to be closer to the port of Genoa. They almost immediately extended their business throughout Europe and to

Brazil, Argentina, the United States and other countries.

The name Martini & Rossi dates from 1879 when Teofilo Sola was bought out. Though Martini & Rossi is the most prominent brand name in the eyes of the general public, other companies under the GBC corporate umbrella include William Lawson's Scotch Whisky, Glen Deveron Single Malt Whisky, Cognac Gaston de Lagrange, Noilly Prat, St. Raphaël, Bosford Gin, Vodka Eristoff and Porto Offley.

"Our strategy is to diversify within the beverage and beverage distribution sector and to have a presence among an increasingly wide range of different alcoholic drinks," explains Rossi, noting that GBC has also taken financial participation in distribution and finance companies. "But there has been little incentive to delve into unrelated fields."

One of GBC's notable acquisition philosophies is to purchase and promote national bellwether drinks and

related products in different countries. In France, these products include Pastis Duval, Rum Duquesne, Cognac Gaston de Lagrange, Calvados Boulevard and Nutty salted nuts. As a result of such diversification, competition varies from market to market.

The majority of GBC's business today is within Europe. France, which counts 20 GBC subsidiaries or affiliates, Italy, England and Spain are easily the largest markets. Beyond Europe the company is best known in South America where there are, for example, thirty different products sold in Uruguay.

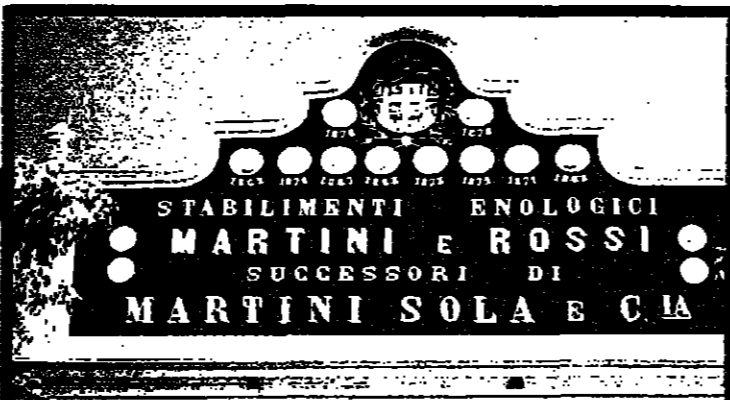
Martini & Rossi products are often produced in varying strengths according to national legislation governing alcoholic content in different markets. But the Martini colors, logo and advertising campaign are the same worldwide.

"We were one of the first companies to recognize the value of international advertising and we spend ten percent of our revenue annually keeping our products in the public eye," concluded Rossi. "People know that they can find Martini and other products in their home town."

— Joel Stratte-McClure



Count Gregorio Rossi di Monteleza.



The facade and interior of the Pessione museum (center). The museum contains such collectors' items as an Apulian "olpi" (above) and antique winepresses (left).



MARTINI & ROSSI

THE MAKING AND SELLING OF MARTINI

THE people who market Martini like to think the beverage could sell itself. But Martini & Rossi is universally renowned for the seductive and sophisticated advertisements for its products, on which it annually spends around \$60 million (just for Martini).

Martini & Rossi was one of the first companies to create international advertisements employed in different countries with modifications made only to the language of the text or script. The practice began over fifteen years ago and established the company in the vanguard of advertising.

"Martini sets the pace and has become a case study for pan-European and international advertising," explains Martin Mayhew, executive creative director for McCann-Erickson Advertising Limited, the agency which has handled the Martini & Rossi account for 17 years. "Together we market Martini by creating visual dialogues that everyone, in any market, can understand."

Martini accounts for 60 percent of Martini & Rossi's total business and currently dominates its product advertising campaigns. The best-selling Martini & Rossi product is still Martini Rosso, followed by Martini Bianco, Martini Extra Dry and Martini Rosé.

Each of the different products reflects an individual taste, market segment and promotional slant. Martini Extra Dry, aimed at the up-market male, is considered the most sophisticated and prestigious product. Martini Bianco is refreshing, light and targeted at a younger market which equally enjoys Martini Rosé's floral, fruity fragrance and taste. Martini Rosso, the best-known brand, with an intense reddish brown hue, is aimed at a broader market sector.

White, red or rosé, Martini is consumed straight, in cocktails or as a long drink depending on the consumer, country or mood.

The Martini word is spread primarily through film and television commercials. But the Martini message is clear in any media: You don't just buy the Martini bottle and its contents, but ambience, mood and atmosphere. Advertisements, employing an upbeat and memorable musical jingle, promote the idea that Martini is the right drink "Anytime, Anyplace, Anywhere."

"The challenge is to keep Martini as up-to-date as the consumers who drink it," says Mayhew, who notes that though the Martini musical score has remained the same, the tempo is continually changing. "This is why we made some of our latest productions somewhat similar to pop video clips."

Global advertisements give Martini & Rossi better control over its message and image while resulting in a more cost-effective production process. Analysts estimate it would cost three times as much to create the same amount of advertising on



Martini & Rossi posters by such renowned illustrators as San Marco, Cappiello and Dudovich.



Martini are vermouth, or wines which employ aromatic herbal blends to obtain their distinctive taste. Vermouth was invented, according to legend, by Hippocrates over 2,000 years ago when he blended almonds, herbs and gray amber with wine to create "Hippocras." The base ingredient of Martini is a rather dry

white wine made from grapes of Sicilian, Roman and Apulian origin. Small dose of distilled alcohol is added to increase the strength, and herbs and spices provide the distinctive taste.

"We select and buy wine from cooperatives and have a long relationship with the growers to maintain year-to-year consistency," explains Martini & Rossi's wine consultant Riccardo Riccardi. "Different tastes are gained due to the grape varieties, herbal flavors and sugar and alcohol levels."

The herbal blend is concocted from a secret formula known only to few people. Martini itself includes 35 different herbal components but some 200 herbs and spices — ranging from anise, caraway, cinnamon, clove and coriander to rosemary, summer savory, thyme and tonka bean — are mixed, macerated or distilled in Pessione and then sent to different production sites throughout the world. The flavors and extracts in Martini are all natural and the entire production process takes from six weeks to three months.

Although the Martini mixture has not changed much during the last hundred years, its advertisements will keep evolving to enlarge the moment and place of consumption.

"We have a simple goal," concludes Alassa. "We just want people to feel comfortable drinking Martini anytime, anyplace, anywhere."

— Joel Stratte-McClure

a nation-by-nation basis. At the same time, such advertising enables the company to quickly update its image as consumers' attitudes change.

"We believe in multinational advertising throughout the entire media spectrum," explains Dino Alassa, Martini's 41-year-old international advertising and marketing director. "We have long felt a global advertising campaign was the best way to reach our market because consumers in different societies have become more and more similar. Today we are also pioneers in employing new types of media, like satellite television." In addition, Martini & Rossi subsidiaries hire local advertising agencies to create national advertising campaigns.

Martini & Rossi billboard advertisements are also seen throughout the world and the company is now launching corporate communication campaigns in international media. "Advertising Martini in different environments is an especially challenging and indispensable facet of our marketing activity because it forces us to keep up with the fashion of the times," contends Alassa. "It enables us to reassure our consumers that we move with them as their lifestyles evolve."

Just what is Martini? The five different types of

WILLIAM LAWSON'S: A MASTER SCOTCH BLENDER

AFTER a hard day's work on the North Sea, it is more than likely that the locals in the little town of Banff will be gathered in the Market Arms pub over a glass of whisky, spinning the yarns of their latest fishing adventures.

In Scotland, whisky is an essential mainstay not only of the country's economy, but also of its social life. At the annual Robert Burns dinner, a festive event during which Scots around the world celebrate the memory of their national poet, the only drink allowed on the table is whisky. For centuries, the Scots have associated the rigors and joys of their Celtic heritage with the consumption and production of their reputed beverage.

Today, Scotch whisky is a product so perfected by time that it is practically considered a national emblem. But if whisky owes a lot to the Scots, the Scots owe a lot to their whisky production. There are many different producers of Scotch whisky spread out throughout the Highlands and none is more typical than William Lawson's, whose origins go back to the industrial revolution of the nineteenth century.

William Lawson began his career in Dundee as a whisky merchant in 1849, but soon expanded to blending, a technique introduced by Andrew Usher in 1860, whereby grain and malt whiskies from different distilleries are mixed together. After World War II, this modest enterprise moved to Courbridge, where it set up a successful bottling factory.

Associated with Martini and Rossi for the past twenty-five years, the company now also runs its own distillery, located in Banff, at the eastern tip of Scotland. The MacDuff distillery produces the malt whisky used in William Lawson's finest blend and the pure malt Glen Deveron exported around the world. "The Scotch whisky industry goes back hundreds of years and the one we produce is of very high quality," proudly explains Michael Roy, who has been distillery manager at MacDuff for nearly two decades and is considered the keybearer to the perennial traditions of his Scottish heritage.

Roy often makes the tours of his different customers wearing a kilt and has encouraged his younger son to play the bagpipes. From his home on the edge of a superb 18-hole golf course, he can

see the salmon jumping in the nearby Spey river. And each year, he participates in the finale of the William Lawson's amateur golf tournament, which gathers several thousand participants from all over Europe. The ten finalists are subsequently invited to Scotland in order to dispute the William Lawson's Cup, a sporting event that has become almost as important as the product itself.

Indeed, tradition has remained totally preserved in the production of Scotch whisky and consistent quality is vital, not only for making William Lawson's own whisky, but because other distillers use the whisky made at MacDuff. "We sell malt whisky to most independent blenders and conversely we buy whisky from them to

use in our blend," adds Roy. The William Lawson's blend is a combination of many different malts as well as three or four grain whiskies, all carefully selected from various distilleries spread out along the famous "whisky trail" of the Spey Valley in the Highlands.

While the manufacturing process of the "malt whisky" produced at MacDuff is similar to those in the other distilleries, it benefits from the vast knowledge of John Ramsey, Lawson's official distiller, passed down by generations of Highland distillers. Considered an exceptional "nose," Ramsey knows how to blend the different malts and to ensure their constant quality over the years. In the dark cellars stocked with oak casks, a certain evaporation takes place, which professionals refer to as having gone to the angels. "They're the thieves as far as we're concerned, but very important in the maturation process," says Ramsey.

"Another essential element in a good whisky is water and ours is conveniently provided by the nearby Deveron river."

According to law, whisky must be at least three years old before it can be sold on the market and it must be distilled in Scotland to be sold as "Scotch Whisky."

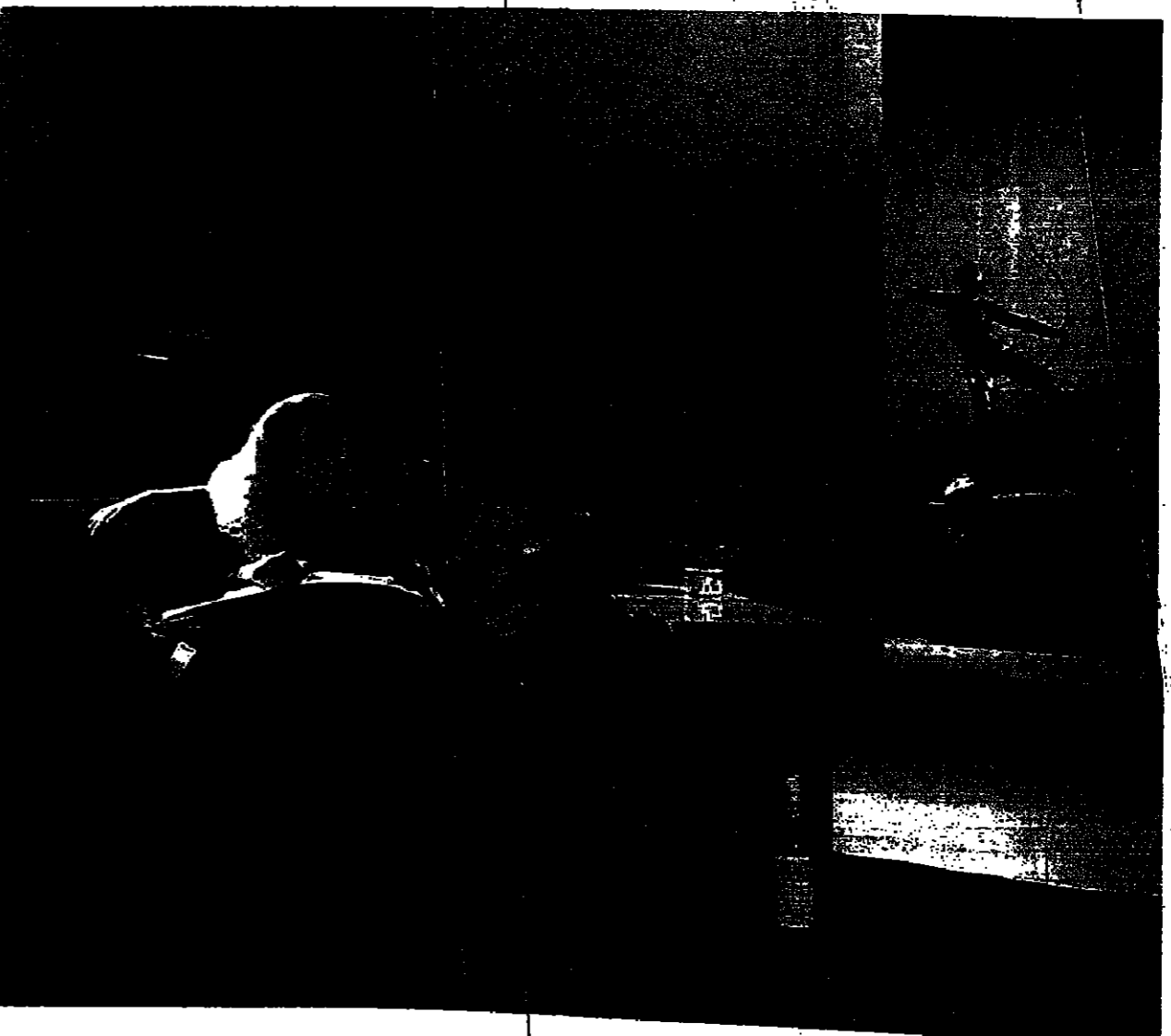
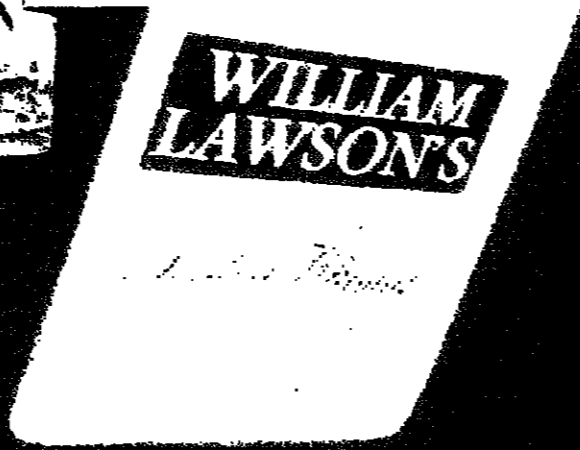
All in all, more than seven million bottles bearing the William Lawson's label are sold per year around the world, with the main markets being France, Italy, Holland, Belgium, Portugal and Spain. In the vast, most of the turnover came from sales of traditional blend and the 12-year-old whisky, yet today the pure and single malt, labeled "Glen Deveron," is on the rise. The objective is to develop international sales.

However, in recent years, Michael Roy has noticed a definite change in consumer's taste and he firmly believes that the demand for pure malt

whisky is on the rise. Along with his peers of the Spey Valley, he is very optimistic about the future of Scotch in general, especially since the market grows every year. In the last two years, this commercial success has been enhanced by the superb advertising campaign conceived by McCann-Erickson and photographed by Jean Lavière, featuring a sophisticated young couple sipping William Lawson's in various select international surroundings.

Says Mick Korvin, one of the creative directors handling the Martini products in France for McCann-Erickson: "One doesn't know if the setting is in Versailles or Soho because William Lawson's is both classic and modern. And it has a particular taste that is appreciated by a new generation of consumers roasting to the slogan: Light up your evening with a great Scotch."

— Mary Deschamps



The international advertising campaign.

Officially

INTERNATIONAL

OFFLEY'S PORTO WINES CELEBRATE 250th ANNIVERSARY

THE very first Portuguese wines were exported to England in the seventeenth century from the region of Douro in the northern part of Portugal. The artisanal beverages were soon known as "porto," although the town bearing the same name is located quite a distance from the vineyards yielding the fruity nectar. These exceptional vineyards, called "quintas," are located on either side of the Douro River in an area that has retained its original landscape with steep terraces that slope down from the top of the hills and fall into the river's embankment. They produce a unique species of dark grapes, as well as a white variety.

The rich earth and favorable micro-climates have been essential to the success of Porto wines. To these natural factors, one must add the human element. Most of the harvest is still done by hand, as the terraces are too narrow to accommodate any machinery. The town of Porto also has strong ties with Villa Nova de Gaia. This small township, located near the Douro River, is linked to Porto by three bridges. From there, the precious fluids are transported by boat from the far-reaching "quintas." It is in this town that one finds the famous cellars, where the Porto wines will age slowly, waiting to be bottled for worldwide exportation. For the past two hundred and fifty years, the Offley cellars have been firmly implanted in this town, producing a prestigious brand bearing its own label.

This outstanding Porto is brewed directly on the



estate of Offley-Forrester, also known as the "Quinta da Boa Vista." When the first English merchants set up shop in the town of Porto around 1750, one of the prominent figures was William Offley, who officially founded his wine company in 1737. While the Marquis de Pombal, prime minister to King Joseph the First, established strict commercial regulations of Porto wine in 1756, it was a century later that a savvy Scotsman saved it from a deep crisis. Called upon by his uncle, who by then had merged with the Offley company, Joseph James Forrester was able to detect an ominous epidemic that threatened to annihilate the precious vineyard. The Portuguese government was so grateful that he was bestowed with the title of Barron Forrester which still appears on the company's labels.

Today, the Offley-Forrester company has maintained its ancestral traditions, enhanced with the most advanced technical equipment available. One of their oldest cellars in Vila Nova de Gaia is the "Aguias." There, in the dark quiescence, the wine begins its perennial aging process. Depending on its initial characteristics and the quality of each September harvest, the wines will be divided into the different categories of the Big Porto family.

When a port wine has aged sufficiently — at least three years — and its blend is deemed suitable by the experts, it undergoes various treatments such as clarification, filtration and stabilization before being bottled and sent around the world. But when a harvest is considered exceptional, then after two years of storage in barrels, the wine is declared "Vintage." Bottled pure, without any blending, it is then placed in big containers named "Garraleros" where it will age anywhere from ten to thirty years or more. In honor of its 250th anniversary, Offley-Forrester, which also distributes Porto Dix on the French market, has introduced on the market an exceptional 30-year Porto wine that connoisseurs unanimously recognize as such, in keeping with the reputation of the Offley-Forrester label.

This recent success can only confirm Joseph James Forrester's motto: "There is only one wine that can be called Porto and there is only one Porto that can be called Offley."

— Mary Deschamps



Martini & Rossi, an active partner in sporting events, won the 1987 world rally championship with Lancia (top) and has also participated in offshore powerboat racing (left) and stunt flying (right).

A PARTNER IN SPORTS

MARTINI & Rossi is not just a bit in the beverage sector. It has also created a vivid impression in areas as diverse as offshore speedboat racing, rally driving, acrobatic flying and fashion.

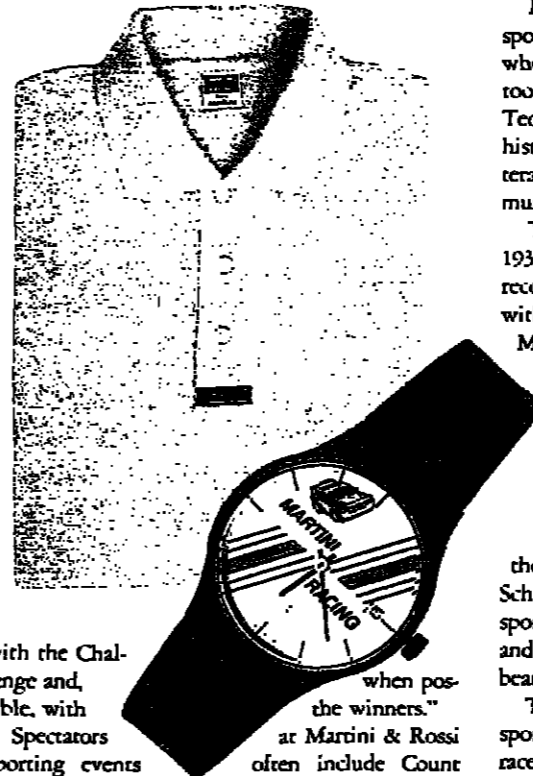
Last April, a television miniseries featuring a rally driver wearing the Martini & Rossi colors captivated viewers throughout Italy. Each day following the broadcast, switchboards at Martini & Rossi offices from Torino to Naples were swamped with callers asking where they could purchase the uniforms and sportswear worn by the actors. Even fashion-conscious Milanese wanted to identify with the daredevil and amorous Martini image portrayed on screen.

Three pilots flying planes featuring the same Martini colors perform as the Martini Acrobatic Patrol at air shows throughout Europe. The loops and twists of their planes constantly thrill observers. At a recent demonstration near Lausanne, one Swiss businessman observing their antics was wearing a polo shirt with a Martini & Rossi logo and a wristwatch sporting the Martini colors with a Lancia car as the second hand.

Last summer's Mediterranean Offshore Challenge sponsored by Martini & Rossi saw the Martini colors race in exciting speedboat races in exotic sites like Monaco and Sardinia.

Martini's logo was not quite as obvious in the offshore races, television series and air shows as the boats cars and planes. But it ran a close second and it was probably a rare spectator who didn't register the Martini colors and trademark.

"We made a long-term commitment to participating in sports, particularly motor racing, and have tangible evidence that this type of partnership is beneficial to the image, sale and promotion of our products," explained Daniel Schildge, director of Martini & Rossi's Racing Division. "But besides the promotional value, this activity involves an intimate relationship among Martini, the machines and the athletes. We want to be identified



with the Challenge and, when possible, the winners." Spectators at Martini & Rossi sporting events often include Count Gregorio Rossi but the company is not only interested in the challenge of sports. It has sponsored everything from orchestras to bel canto vocal concerts. It is also a corporate supporter of the visual arts and has sponsored exhibitions of the works of Picasso in Venice, De Chirico in New York and Caravaggio in London.

"Martini & Rossi's support for the arts is but a reflection of our belief that art plays an important role in our lives," explained a company spokesman. "Sponsorship fosters sensitivity, understanding and creativity. In the case of the De Chirico exhibition, it also furthers the appreciation of an Italian whose work is so important to the history of the twentieth century."

Martini & Rossi's presence in the sports and arts sponsorship can be traced back to Teofilo Rossi who, with his brothers Cesare, Enrico and Ernesto, took over the management of the company in 1900. Teofilo was also mayor of Torino and company historians recall that he encouraged corporate interaction with both Italian and international communities.

The serious association with sports began in the 1930s with Theo Rossi breaking several world records in boat racing. Martini & Rossi associated with Porsche in the World Championship for Manufacturers: Brabham and Lotus in Formula 1; and Lancia in endurance and world rally championships. Fiat (via Lancia) and Martini & Rossi have worked together for eight years to enhance, through sporting events, the image and prestige of each group.

"We choose the sports that tend to fascinate the public over a long period of time," explained Schildge, noting the company has in the past sponsored world cup skiing, fencing, golf, sailing and polo. "And there are few activities that can bear the thrill and excitement of rally driving."

The partnerships have paid off. Martini & Rossi sponsored cars that have won the Le Mans 24 hour race three times with Porsche, picked up the endurance championship in 1982 and won the world rally championship in 1983 and 1987 with Lancia.

"Martini tends to sponsor sports within the world which consumes their products," commented Dino Afassa. "Sponsorship is an ideal and prestigious way to attract new consumers to this light and refreshing drink while also reaching those who currently drink Martini."

But there is another payoff. Spectators want to look like the participants in Martini & Rossi-backed events. Consequently the company has launched a Sportline range of fashion items which further promotes its name and products in the public eye.

— Joel Stratte-McClure

THE MARTINI FAMILY

The Martini & Rossi drinks on these pages represent only a small part of the group's total range of products. With the same care as that given to the more international brands, numerous beverages are elaborated and marketed by the group on a national or regional scale. These include:

FRANCE

- Pastis Duval
- Rum Duquesne and Cocktail
- Rum Saint Gilles
- Porto Dix
- Tequila Camino Real
- Rivesaltes Manor and Rapha
- Liqueur Dolfi
- Sparkling wines: Veuve Amiot méthode champenoise and Charles Volner
- Calvados Boulard
- Gin Bosford
- Nutsy salted nuts
- Gentiane Avezé
- Whisky King Edward

ITALY

- China Martini
- Riesling Martini
- Reserva Montelera méthode champenoise
- Liqueur Sacco
- Gin Bosford
- Brandy Cavallino Rosso

SPAIN

- Wine and sparkling wine: Marques de Monistrol
- Sparkling wine Dubor
- Rum Tropicana

BRAZIL

- Sparkling wine de Greville
- Wines: Chateau Duvalier, Baron de Landier, Zahnanger
- Whisky: Hallmark and Tillers Club.

CLASSIC APERITIFS: NOILLY PRAT AND SAINT RAPHAËL



A view of the small port town of Marseillan, home of Noilly Prat.

ANGLO-SAXONS refer to it as "cocktail hour"; the French call it "heure de l'apéritif." Since the early 1800s, sophisticated wine-based drinks have known their share

of success during this before-dinner ritual, which takes place daily in clubs, bars and private homes around the world. Two of the better-known brands are Noilly Prat and Saint-Raphaël. Both are made according to a traditional formula, with a unique and secret blend of herbs and wines conveying distinctive aromas and flavors. Considered the classic French vermouth, Noilly Prat can be used either as a mixer, or, in keeping with the current trend of lighter, more natural flavors, it can be savored on its own.

The home of Noilly Prat is the small town of Marseillan, on the Mediterranean coast, where Louis Noilly first set up his company to manufacture a dry vermouth based on a recipe invented by his father. Soon after Claudius Prat went into partnership with him in 1893, Noilly Prat was being exported around the world and savored by connoisseurs of high quality beverages.

The elaboration of this unique product takes three years and uses a base of Picpoul and Clairette, two local white wines. After an initial period of maturation in dark cellars, the fortified wines are transferred outside into 600-liter oak casks for twelve months. This unique method of maturation conveys to Noilly Prat a very definite character change brought about by the vivifying Riviera climate, its sun, air, rains and frosts. Stepping out from the dark cellars, the glaring vision of thousands of barrels basking in the sun under clear skies is a sight that has impressed many a visitor.

After its period of sun sorshipping, during which it obtains a rich amber color and a strong, full-bodied dry flavor, the budding vermouth spends another year in huge vats. Then a secret mixture of 20 herbs, along with various fruit extracts, is blended into the mixture, which rests for a few weeks to gather its full flavor before world exportation.

Noilly Prat vermouth has a number of cousins in the great family of aperitif drinks, amongst which the celebrated Saint-Raphaël aperitif ranks highest.

"There is a definite taste for aromatic wines," says Arturo Palmero, chairman of the Paris based

St-Raphaël company, affiliated with Martini and Rossi since 1960.

The origins of Saint-Raphaël go back to 1830, when Adhémar Juppert, weakened by his efforts to create a fortifying wine mixed with quinine, began losing his eyesight. Remembering the Biblical episode, when Archangel Raphaël healed Toby from blindness, he named his recipe Saint-Raphaël after his eyesight was saved.

Until 1957, St-Raphaël's unique product was its widely appreciated aperitif quinine wine, but the company now comprises a wide range of other products.

Today, 8 million bottles of St-Raphaël aperitif are sold each year, while the total sales of the company's diversified products such as sweetened wines, sparkling wines, liqueurs, cognac, whisky and port account for 50 million bottles.

As for Noilly Prat, it is estimated that at least one bottle of its dry vermouth can be found in most liquor cabinets around the world and even though the three-martini lunch is less common these days, one can be sure that Noilly Prat will remain a definite "must" at cocktail hour.

— Mary Deschamps

MARTINI & ROSSI INTERNATIONAL

HIGH TECH ON THE TERRACE

THE Martini & Rossi seventh-floor terrace, adjoining bars and well-appointed salons at 52 avenue des Champs-Élysées, have always been considered a rendezvous for the elite.

The company's early evening cocktail parties traditionally focused on newsworthy themes and have often attracted up to 700 guests and leading personalities from the stage, cinema, arts, business, scientific and athletic fields. Every July, Martini's best friends are invited to watch the Tour de France coast to a finish while one past promotional party featured dancers from the Crazy Horse Saloon playing golf on a temporary putting green.

"Being at the heart of the Champs-Élysées and on the top of Paris, we try to keep our friends in tune with times," explained Martini & Rossi's Francois Babou, who has hosted foreign delegations to the French capital, held fashion shows, featured art exhibits and celebrated birthdays and anniversaries at the terrace. "Nobody could resist this glamour even if they didn't meet astronauts, film stars and other celebrities while suspended above the most beautiful city in the world."

The terrace provides a panoramic view that looks onto monuments including the Eiffel Tower, Arc de Triomphe, Louvre, Sacré Coeur and Montparnasse Tower. But this autumn, even the view has been changed and drinking Martini & Rossi beverages above the hustle and bustle of the Champs-Élysées has become a totally new experience.

The company has just completed a major renovation and reopened the terrace as an audiovisual and communication center which Martini hopes will fill a gap in Paris cultural and social life. Using a combination of satellites, television and other state-of-the-art high-tech equipment, a luxurious 50-seat theater is being billed as an "espace image" — a space for images.



Aerial view of the Martini Terrace on the Champs-Élysées. Among the many celebrities that Martini has welcomed are tenor Luciano Pavarotti (left) and former French Prime Minister Raymond Barre.

In addition, picture windows have been added to provide a new look on the city and the interior has been completely redecorated. Winter and spring decor will even be alternated to keep frequent visitors thinking they are in a different environment. The company plans to host smaller, intimate gatherings that will underline Martini's reputation as a meeting point for a drink among friends.

"We want to create intimate events in fashion



and other areas that will excite exclusive guests because they surpass the audiovisual experience anywhere else in the world," explained Martini & Rossi's Dino Atassa, who publishes the "Champs-Élysées News" to record all the comings and goings. "We want the terrace to become as talked about as Martini itself by offering people much more than a good drink."

While Paris is now the most high tech, it is not the only city to feature a rendezvous point for Martini lovers, mixers, movers and shakers.

The idea of a club or terrace in each city originated with the Rossi family. After the first appeared in Paris forty years ago, other clubs were launched in London, Genoa, Rome, Brussels, Sao Paulo, Barcelona, Milan and other cities. Each club has its own head barman who regularly invents his own drinks using Martini products and willingly relates the recipes to visitors.

The favored drink in Paris made by Jean Hierax, who has been barman on the terrace for 22 years and can mix hundreds of different cocktails using Martini beverages, is appropriately called La Dolce Vita.

"When people drink Martini in this type of environment they tend to want to take the atmosphere and drink home with them," said the affable Hierax as he pointed out historical landmarks to a visitor. "I make sure they know what to do with our beverages by giving them stories behind each concoction."

— Joel Stratte-McClure

GASTON DE LAGRANGE: ARISTOCRAT OF COGNACS

OUR distinctive trademark is that we are one of the youngest of all the cognac brands and consequently we are extremely dedicated to the quality of our product," says Henri de Castellane, chairman of Gaston de Lagrange S.A.

Stemming from one of France's oldest aristocratic families, Gaston de Lagrange brandy has long been an integral part of the Cognac region and today is considered one of the leaders in a highly competitive field.

According to de Castellane, the consumption of brandy in general has benefited from recent world recognition. "It's become a fashionable product," he says. Associated with Martini & Rossi since 1962, sales of Gaston de Lagrange have steadily increased over the past few years.

While competition is heavy among brandy producers around Cognac, it is also a region and a product that are extremely well-protected. Located in France's Charente and Charente Maritime departments, the region of Cognac has been divided into seven areas, according to their soil and grape species. In order of importance they are: Grande Champagne, Petite Champagne, Borderies, Fins Bois, Bons Bois, Bois Ordinaires and Bois à Terroirs. The wines in all these regions are whites. Their low alcoholic strength and high acidity are two essential elements in the production of brandy. But it should be noted that to be entitled to the appellation d'origine contrôlée Cognac, a brandy must abide by stringent conditions, regulated by law.

At the outset, only certain grape varieties are considered valid. Sweetening of the vinified wines is not allowed, nor is the use of the Archimedian screw for pressing. As for distillation, it must be performed in accordance with the Charentais methods and take place within the demarcated Cognac region. The two-stage distillation takes place in simple, onion-shaped pot stills that have remained unchanged over the years.

Once the brandy leaves the still, it is stored in oak casks that generally come from the Limousin region. New casks are used during the first year of aging, then the brandy is transferred to old ones in order to avoid too much tannin enrichment.

Whether in casks or in bottle, Cognac brandy often carries the letters V.O.P., V.S.O.P., V.O. or X.O. Respectively, these letters stand for Very Old Pale, Very Superior Old Pale, Very Old, and Extra Old. As England was one of the first important

brandy importers, it is not surprising that these designations have retained their Anglo-Saxon origins. Each designation corresponds to a certain age: from the four and a half year old minimum for the V.S.O.P. to the fifty or more years for the X.O.

Although the Gaston de Lagrange firm was officially created 25 years ago, the company prides itself in having since acquired some of the best old stocks of brandy available on the market.

"In order to be really successful, we had to sell a first-class product and build our brand image on a quality that existed but was not well known," explains de Castellane, who enjoys the challenge of launching a new brand of cognac.

According to the company's soaring sales figures around the world, and especially in the United States, the quality of Gaston de Lagrange cognac has definitely met this challenge with success.

— Mary Deschamps

VODKA ERISTOFF: EMBLAZONED WITH QUALITY

SOME family histories are so intricate and romantic that at the outset they seem almost implausible. This is the case of the

Eristoff lineage, whose origins go back to the early days of Anjou and whose intricate destiny could very well have been retraced by one of the great Russian writers such as Gogol or Tolstoy.

In 1958, Prince Nicolas Eristoff, but to a prestigious name, conceded his coat of arms to Martini & Rossi along with the ingredients to a vodka formula, which had been a family secret for several generations.

After Georgia was taken over by

the Russians in 1801, the Eristoff family was bestowed its heraldic coat of arms in recognition for its loyal help and brave support. Its illustrious bearings are the irrefutable distinction given to those Georgian Eristoffs, who served the czar within the cosack ranks.

Today, as one of the Soviet Union's 15 constituent republics, Georgia is still world famous for the beauty of its landscapes and the quality of its wines and spirits, whose names have the same connotations for Soviet citizens as Bordeaux or Burgundy have for Westerners.

According to the available family archives, the existing vodka formula, based on the distillation of local rye,

was concocted by Prince Constantin Eristoff in 1806. His son, Alexander, enlisted with the Cossacks of Kouban in 1892. Since one of the duties of the Cossacks was to ensure the safety of the czar and his family, Alexander Eristoff proved himself several times and was rewarded with the highest honors. Having remained faithful to the czar during the first Russian revolution as well as during the Cossack revolt of 1905, Nicolas' father was further promoted as an officer in the ranks of the "imperial guard." After the revolution of 1917, he emigrated to Italy, where he lived between Milan and Reco as a prominent figure of the local Russian community until 1956.

Faithful to the image of his glamorous ancestors, young Nicolas quickly adapted himself to the order of the day and abided by his ideals. Being a fervent anti-Communist, he took part in several ventures, notably the Italian Expedition Corps in Russia and fought in Crimea and in Stalingrad. Wounded, he returned to Italy in 1944, through Romania and Lassy where his father had served.

Granted Italian citizenship in 1958, he decided to pass along the vodka formula of his great-grandfather to Martini & Rossi. It is that golden crown which appears today on the Eristoff bottle, one of the leading vodkas in the world.

— Mary Deschamps

ASTI SPUMANTE: ITALIAN EFFERVESCENCE

ASTI Spumante is delicious. As an Englishman working in France whose commitment to French wines is almost total and who thinks that Champagne is the only real sparkling wine and that it must be very dry indeed, this is almost an admission of defeat. In fact, it is nothing of the kind: much more an expression of delight that a wine that I haven't drunk a dozen glasses of in as many years should be so good to drink. Amongst other things, it is the perfect summer aperitif, and although by the time this article goes to press, too many weeks of summer drinking will have slipped past, I feel that a bottle of Asti in the depths of winter should do more to remind one of blue skies than any amount of travel brochures or imported strawberries.

Asti Spumante is a DOC (the Italian equivalent of the Appellation Contrôlée wines in France), and

as such is strictly controlled. Only 8,000 hectares of best-sited slopes across 52 villages in south Piedmont that are planted with the Moscato grape have the right to see their juice used for the sparkling wine. The average size of each holding is minute, under one hectare, and with the investment and technical refinement required, the farmers have no possibility of making the wine themselves. As in Champagne, the majority of the production is in the hands of a few big houses, amongst whom Martini & Rossi are the largest and are able to contract for the best grapes. The style of Asti Spumante was actually developed in the early 17th century, resulting in a fizzy or "foaming" wine whose main objective was to retain all the freshness and fragrance of the grape. The oenologists of the time had already realized that the aromas of the Moscato grape were linked to the high natural sugars of the juice, and it was necessary to find a way that would prevent total fermentation, and the destruction of both the delicate fruity aromas and the soft flavor. Like many other wines with a natural tendency to sparkle, the biggest change was the 18th-century development of the glass bottle and especially the cork, which sealed the wine properly and kept it effervescent.

The great technical difference between Asti Spumante and Champagne is that the latter is fully fermented as a still wine, with sugar and yeasts being added at bottling to provoke a secondary fermentation in the bottle. This is known as "la méthode champenoise" and in most cases the finished wine is too dry or "green" for the public's taste, and is rounded out by "dosage," the addition of a amount of sugar solution. Asti Spumante, on the other hand, goes through only one fermentation. It is stopped at a point to retain the natural sweetness, leaving it with only 7.5 degrees of alcohol as opposed to 12 degrees for Champagne. Part of its justified popularity — the United States and Italy are particularly fond of it — comes from being low in alcohol. Martini and Rossi's press department would have us believe that Asti Spumante is, although slightly sweet, actually lower in calorie content than a dry wine. Perhaps this is a good sales pitch to a diet-conscious age, but the main argument for Asti Spumante, Italy's leading sparkling wine, is in the natural, fruity flavor and grapy charm.

— Steven Spurrier
Académie du Vin



doj isatis

MADISON AVENUE

An 8-Macintosh Agency: The Wave of the Future?

By PHILIP H. DOUGHERTY

IN THE advertising trade press, Karp Newton Van Brunt is an unknown. It may also be the prototype of the agency of the future. The 10-person operation, with eight Apple Macintosh personal computers, calls itself a desktop agency—100 percent dependent on its Apples.

"The real future is how the client-agency relationship will be transformed by technology."

The two-year-old Manhattan company now can take an ad type and black-and-white line drawings from concept to the inter with just one person. It will soon be able to do halftone illustrations with photographs, and color. And the technology coming that will enable an agency to create a demonstration commercial on videotape.

Mr. Haight and Carl Van unt, 40, the president, consult top management. They are trying to move the company from being a desktop producer of financial marketing materials like brochures and sales kits into a full-service agency.

So far Karp Newton Van Brunt has landed three advertising clients — International Data Group, a major publisher of computer magazines in Framingham, Massachusetts; Pros & Cons, a software company in Washington, and Integrated Resources, a financial services company in New York. Until now the s created for International Data have been done in the conventional way, but they will be switched to the high-tech method as on equipment is available.

Martin E. Haggland, an agency graphics designer, said that the ad-bogging method of putting together an ad on a Macintosh is software called Pagemaker by Aldus Corp. and Adobe Illustrator by Adobe Systems.

"Other agencies," Mr. Haight said, "are going to be forced to use this technology as clients adopt it." "The real future," Mr. Van Brunt said, "is the client-agency relationship and how it will be transformed by technology."

THEY DESCRIBED how a client could send a rough concept of an ad to the agency via computer, saving all the mistakes in interpretation that often accompany layers of verbal communication. Mr. Haight said clients could work right along with the agency making up an ad, experimenting with different type faces, illustration sizes and white space without ever going to an outside printer.

Alcon Laboratories is putting on a \$9 million television campaign aimed at getting the young women who are the primary users of contact lenses to take better care of them.

Alcon, a subsidiary of Nestlé SA of Vevey, Switzerland, is based in Fort Worth, Texas, and makes lens-cleaning and maintenance products that are usually stocked in drugstores and supermarkets in a category that has little individual identity with consumers.

The odds are that Alcon will not have television to itself for Bausch & Lomb Inc. is already planning a promotion program for some new products that will be handled by Avrett, Zeigler & Ginsberg.

Another potential competitor is Johnson & Johnson, which is using a disposable contact lens. The products being advertised by Alcon are Opti-Clean II, a lens cleanser, and the weekly Opti-Zyme. They remove the lipid impurities on lenses that can cause discomfort, which is the primary reason for wearers abandoning lens use.

Mr. Lee said there were about 15 million lens wearers in the United States, who spend about \$100 million a year for weekly contact lenses.

See MADISON, Page 15

ITT Sells Its Stake In STC

Canada's NT Holds 27.8%

NEW YORK — ITT Corp., the diversified U.S. conglomerate, said Tuesday that it has sold its 24 percent interest in STC PLC of Britain to Northern Telecom Ltd. of Canada for about \$730 million, or an indicated \$3.57 a share.

Northern Telecom, meanwhile, said that it would sell 40 percent of its London-based Northern Telecom PLC unit to STC for an undetermined price. The purchase would give NT 27.8 percent of STC.

STC, the former Standard Telephones & Cable, makes telecommunications and business communications equipment. Once a wholly owned unit of ITT, it earned \$103.1 million (\$168 million) in 1986 on revenues of \$1.93 billion.

Northern Telecom is the second-largest maker of telecommunications equipment in North America, after American Telephone & Telegraph, and the sixth-largest in the world. It is the world's largest supplier of fully digital telecommunications systems.

ITT said it has agreed to repurchase the shares at the option of NT if British government approval of the sale is not obtained before the end of November.

ITT has said in July that it was considering selling its STC shares. ITT's other big interest in telecommunications is its 37 percent in Alcatel NV, a venture with Compagnie Générale d'Electricité of France.

ITT owned 100 percent of STC from the mid-1920s to 1979. By 1985, that holding had been reduced to 131 million shares, and those shares have risen dramatically in value over the past year, from under \$300 million the summer of 1986 to \$500 million in March and \$700 million in July.

Persistent takeover rumors boosted STC's share price to 305 pence on the London Stock Exchange from 288 on Monday.



Michael Carpenter, ex-Cadillac owner, with his \$27,000 Acura Legend.

Will Acura Satisfy Cadillac Tastes?

Japanese Automakers Assaulting U.S. Luxury Market

By Richard W. Stevenson

New York Times Service

LOS ANGELES — Michael Carpenter of Pacific Palisades, California, considered buying a BMW this summer, but instead he traded in his four-year-old Cadillac Eldorado for a \$27,000 Acura Legend coupe. "It is a beautifully appointed and styled car," said Mr. Carpenter, 47, the publisher of Adweek-West magazine.

Mr. Carpenter would choose to spend that kind of money on a Japanese car instead of a European or American model — Acura is a division of Honda — says a lot about how far the Japanese auto makers have come since they started selling tiny, inexpensive "economy" cars in the United States 30 years ago.

And the early success of the Acura line, which was introduced last year, is only the first sign of a major push by Honda and its biggest Japanese rivals, Toyota and Nissan, into the American luxury-car market.

Having noted Acura's fast start and Honda's plan to expand the line with even more expensive models, Toyota and Nissan each announced recently

Table with columns: Make/Model, 1986 Sales, 1987 Sales, Price Range. Includes Acura Legend, Audi, BMW, Cadillac, Jaguar, Lincoln, Mercedes-Benz, Saab.

that they would begin offering vehicles in the \$30,000 range two years from now. For Japan's Big Three automakers, these are risky and ambitious strategies that put them on a collision course not just with each other, but with Detroit's top-of-the-line cars and the prestigious European imports as well.

Oslo, Feeling Oil Pinch, Drafts Budget for '88

OSLO — Norway's minority Labor government, pinched by lower oil prices, presented a 1988 draft budget to parliament Tuesday that, among other things, foresees higher spending, higher taxes and a 393 million kroner (\$58.4 million) deficit.

The budget would raise state spending by 6.6 percent before inflation, including a big jump in funds for research and development. But the budget still predicts a deficit before loan transactions, compared with a projected surplus of 2.5 billion kroner this year and a deficit of 5.5 billion in 1986.

Spending is set at 245.0 billion kroner, after 229.9 billion in 1987, with government revenues expected to rise to 244.6 billion kroner from 232.4 billion this year.

The government, which topped a center-right coalition in May 1986 during a battle over budget revisions, pledged tight fiscal policies for several years to balance the country's economy. It expects inflation to fall to around 5 percent next year from a predicted 7.8 percent this year, making the real 1988 budget about 1.6 percent higher than in 1987.

"We must start making more than we are spending," Finance Minister Gunnar Berge said.

Even so, strong opposition is expected when the parliament debates the draft budget over the next two months, particularly among Conservatives who want to hold the line against spending. The government was forced to revise its draft 1987 budget after parliamentary opposition, and Prime Minister Gro Harlem Brundtland narrowly survived being ousted.

Norway, Western Europe's second-biggest oil producer after Britain, is still trying to cope with a 20 percent fall in state revenues caused by last year's collapse in world oil prices.

About 40 percent of Norway's export earnings come from sales of natural gas and from the 1 million barrels of oil it pumps daily from its North Sea fields. The government expects oil revenues, worth 24 billion kroner in 1986, to be un-

2 Norway Banks Lower Rates 1 to 2 Points

OSLO — Two major Norwegian banks, Bergen Bank and Christiania Bank og Kreditkasse, said Tuesday that they were cutting interest rates on all loans by between 1 and 2 percentage points, effective immediately.

The cuts are to 13 and 14 percent from 14 and 15 percent. The cut followed the government's announcement that it was dropping supplementary reserve requirements.

The reserve requirement, under which commercial banks must keep funds on deposit with the central bank in a non-interest-bearing account, will be dropped as part of the minority Labor government's draft 1988 budget.

Den Norske Creditbank, Norway's biggest bank, said it would not lower its rates, now around 14 percent.

changed in 1988 from this year's expected 5 billion.

The nation has sizable foreign trade and current account deficits as well as higher inflation than most of its trading partners. High industrial costs and private consumption have also made it difficult to compete internationally.

Gross national product, the total value of a nation's goods and services, is expected to grow by just 1 percent next year, after 1.5 percent growth this year, according to the draft budget.

Norway's foreign trade deficit is expected to narrow to 25.9 billion kroner next year, after an expected 32.4 billion deficit this year. The government plans to boost state-backed research and development funding by 40 percent in 1988, to 875 million kroner, to help

Currency Rates

Table with columns: Currency, Rate, etc. Includes D.M., S.F., Lira, etc.

Table with columns: Currency, Rate, etc. Includes Yen, Pound, etc.

Table with columns: Currency, Rate, etc. Includes Swiss Franc, etc.

Interest Rates

Table with columns: Deposit type, Rate, etc. Includes 3-month, 6-month, etc.

Table with columns: Money market, Rate, etc. Includes Treasury bills, etc.

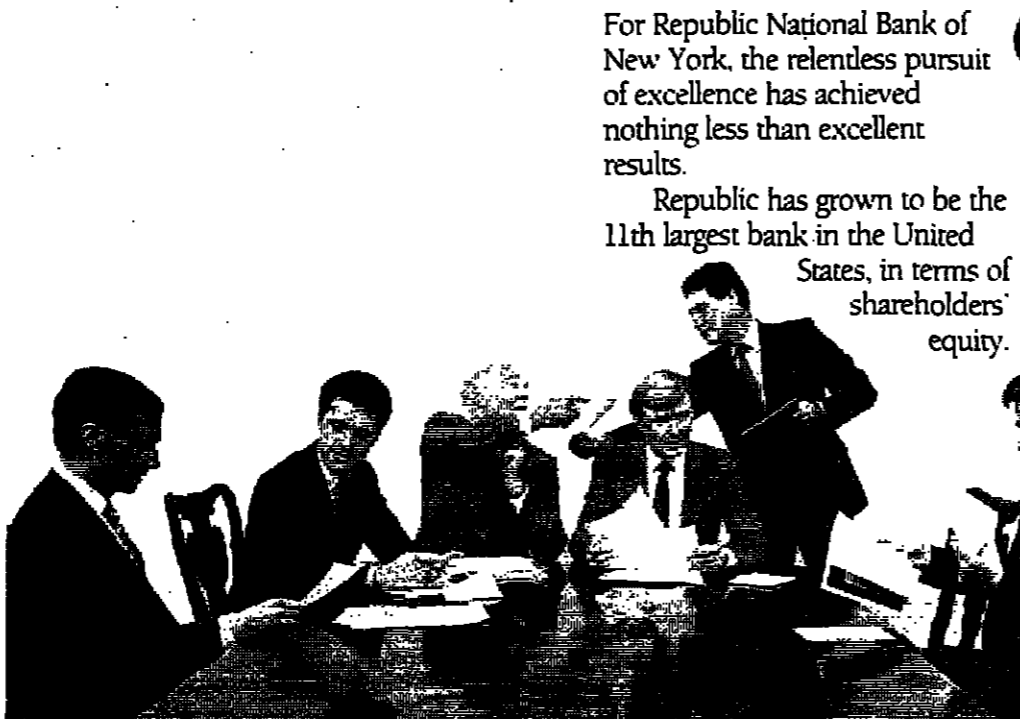
Table with columns: Asian Dollar Deposits, Rate, etc. Includes 1-month, 3-month, etc.

Table with columns: Gold, Price, etc. Includes A.M., P.M., etc.

Table with columns: Office rate, Rate, etc. Includes various office rates.

Source: Reuters.

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FIGURES AS AT DECEMBER 31, 1986:

TOTAL ASSETS: US \$ 16.8 billion

SHAREHOLDERS' EQUITY: US \$ 1.6 billion

NYS Closing

Tables include the nationwide prices... and do not reflect local trades elsewhere.

Table with columns: High, Low, Stock, Div. Yld. PE, High, Low, Stock, Div. Yld. PE. Lists various stocks and their prices.

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Floating-Rate Notes

Oct 6 Issuer/Inst. Coupon Mntd Bid Askd

Table with columns: Issuer/Inst, Coupon Mntd, Bid, Askd. Lists floating rate notes.

Dollars

Table with columns: Issuer/Inst, Coupon Mntd, Bid, Askd. Lists dollar-denominated notes.

Japanese Yen

Table with columns: Issuer/Inst, Coupon Mntd, Bid, Askd. Lists Japanese yen-denominated notes.

Pounds Sterling

Table with columns: Issuer/Inst, Coupon Mntd, Bid, Askd. Lists pounds sterling-denominated notes.

Deutsche Marks

Table with columns: Issuer/Inst, Coupon Mntd, Bid, Askd. Lists Deutsche marks-denominated notes.

AMER High-Lows

NEW HIGHS 15 NEW LOWS 28

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NYSE High-Lows

NEW HIGHS 15 NEW LOWS 28

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Asia Pacific Growth Fund. Weekly net asset value on 2-10-1987 U.S. \$7.76. Listed on the Amsterdam Stock Exchange.

OPPORTUNITES. Siège social: 20, boulevard Emmanuel Servais 2525 Luxembourg. L'ASSEMBLEE GENERALE ANNUELLE des actionnaires d'OPPORTUNITES qui se tiendra au siège social le 15 octobre 1987 à 16 heures et qui délibérera sur l'ordre du jour: 1. rapport du Conseil d'Administration; 2. rapport du Commissaire aux Comptes; 3. adoption du bilan et du compte de pertes et profits au 30 juin 1987; 4. affectation du résultat de l'exercice; 5. décharge aux administrateurs et au Commissaire aux Comptes; 6. réélection des administrateurs et du Commissaire aux Comptes; 7. divers.

Oil Slides on Rumor

NEW YORK — Rumors that Saudi Arabia had decided to discount its prices sent crude oil markets tumbling Tuesday, analysts said. The rumors said that Saudi Arabia would offer rebates on sales of its crude oil retroactive to Oct. 1 for buyers in Europe, the Far East and the United States. The speculation pushed down West Texas intermediate, the benchmark U.S. crude, by 40 cents a barrel to \$19.42. Cash markets dropped along with futures, and North Sea Brent crude broke through the \$16.60 level as fears mounted that prices would continue to plunge if the rumors were substantiated, traders said. Robert Norberg, spokesman for Aramco, the consortium that oversees most of Saudi Arabia's oil production, said that he had no instructions from the Saudi government to bill lifters at other than official prices. In response to an inquiry concerning rebates, he said: "We are billing customers at Saudi official prices. That is all I can say." The rumors said that while Saudi Arabia would bill companies at official prices, it would grant rebates at the end of the month. According to the rumors, the rebates would depend on the buyer's location — in Europe, on spot prices for Brent; in the Far East, on spot prices for Dubai; and in the United States, on prices for Alaska North Slope. Oil industry sources in New York were divided over the rumor. "We see nothing to it," said an official at a major oil company, speaking on condition of anonymity. "We have not been informed of any rebates or their application to this company." "It doesn't make sense for Saudi Arabia to do this right now," said a crude-oil trading manager at another company. "They've already proved they can have a major impact on the market. To do it now would be against their long-term goal of \$18 crude oil. Moreover we would have heard from our affiliate in Europe if there was some truth in it."

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Times Mirror Co. Sets Cable Television Swap

LOS ANGELES — Times Mirror Co. will swap its Arizona cable television systems for nine cable systems across the United States under an agreement with Tele-Communications Inc. and United Artists Communications.

The trade, announced Monday, will give the Los Angeles-based media company systems in California, Nevada, Illinois, Ohio, New York and Massachusetts. Times Mirror owns the Los Angeles Times.

Tele-Communications and United Artists Communications, both of Denver, will form a partnership to own and operate the Arizona systems, which include subscribers in Phoenix and nine other cities.

Times Mirror said that deal fits its strategy of concentrating its cable systems away from large metropolitan areas. It will also buy a cable system in Illinois from Tele-Communications for an undisclosed price.

Monday

in the Trib.

Get the latest word from

William Safire on Language.

BUSINESS ROUNDUP

Kerkorian Moving on Pan Am

By Agis Salpukas
New York Times Service
NEW YORK — Kirk Kerkorian, the U.S. financier who controls MGM-UA Communications, has completed a study of Pan American World Airways that brings him closer to a possible takeover of the beleaguered carrier, according to sources familiar with the deal.

The talks with the unions will be crucial in determining if Mr. Kerkorian pursues a purchase, the sources said.

A spokesman for Pan Am said the company did not comment on takeover efforts.

Neither the leaders of the union coalition nor Mr. Kerkorian were available for comment.

Pan Am's stock closed Monday at \$4.50, down 12.5 cents in trading on the New York Stock Exchange.

Rhône Net Rose 15.4% in Half

Special to the Herald Tribune
PARIS — Rhône-Poulenc, the state-owned chemical and pharmaceuticals group, said Tuesday that net earnings in the first half of 1987 rose 15.4 percent to 1.14 billion francs (\$186 million) from 988 million a year earlier.

Sales in the period ended June 30 rose 2.7 percent to 28.75 billion francs from 27.98 billion, it said.

The consolidated figures include the results of Union Carbide Corp.'s U.S. agricultural products business, which Rhône-Poulenc, France's biggest chemical company, acquired at the end of 1986. Those results were not broken out. In September, Rhône-Poulenc bought Stauffer Chemical Corp.'s basic chemicals business for \$500 million, which is expected to increase Rhône-Poulenc's U.S. sales as a percentage of total sales to 11 percent from 3 percent.

Hooker of Australia to Buy Altman, Its 5th U.S. Chain

Compiled by Our Staff From Dispatches
SYDNEY — Hooker Corp., an Australian property and retail company, said Tuesday that it had agreed to buy control of B. Altman Co., its fifth U.S. retail acquisition in the past 18 months.

Hooker, run by George Herscu, property developer, said it would buy 58 percent of the closely held company for an undisclosed price, while negotiating for the rest. B. Altman, an up-market chain with department stores in New York, New Jersey and Pennsylvania, has annual sales of about \$330 million.

Hooker said it would purchase a stake from a group of investors who bought the stores in 1983 from an Altman Foundation, a charity established by the founder, Bernard Altman, before his death in 1983. Under the 1985 agreement, the foundation retained its real estate holdings.

Hooker's spending spree began mid-1986, when it acquired 80 percent of the California-based ecksamer Jewelers chain. But the price increased in April, when it agreed to buy Allied Stores Corp.'s New York-based Bonwit Teller division for \$101 million.

Last week the Australian developer said it would acquire most of financially beleaguered Sakowitz & Co., a Houston retailer, under a reorganization plan filed in federal bankruptcy court. Hooker would pay \$7.5 million for 80 percent of a new holding company that would be 20 percent owned by Robert T. Sakowitz, the chain's chairman and a member of its founding family.

In August, the unions held talks with Sir James Goldsmith, the British-French financier, who also had a team of experts look at the airline. A source close to that effort said it broke down when the team said the labor coalition would have to make much deeper wage cuts than \$180 million a year.

Although Pan Am has shown some recovery because of heavy traffic to Europe this summer, management considers its costs too high to ensure long-term survival. The company earned \$10.5 million in the second quarter, in contrast to a loss of \$152.4 million in the second quarter of 1986.

The airline said Monday that its traffic was up 14.4 percent in September, compared with last year.

After many years of losses, the carrier has had much better results this year and may reach its goal of showing a profit for the year, company officials have predicted.

Even if Mr. Kerkorian and his staff work out an agreement with the labor coalition, a big hurdle remains: Pan Am's strongest union, the Transport Workers Union, which is not part of the labor group.

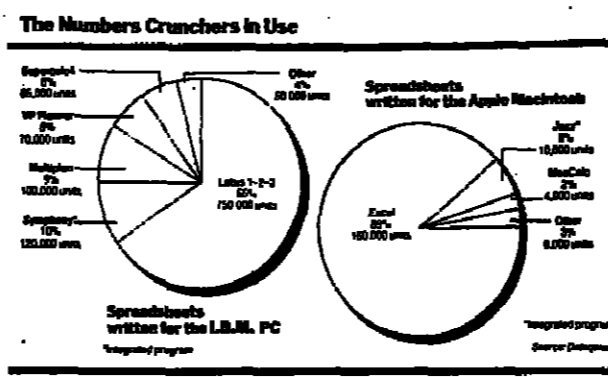
Pan Am's board was scheduled to have a regular meeting Tuesday, but was not expected to consider any Kerkorian or union proposals.

The union coalition has put management in the unusual role of reacting to the coalition's drive to find a buyer.

Just as in the case of the takeover of Trans World Airlines by Carl C. Icahn, the switched roles at Pan American are an indication of how unions have been able to use their ability to give concessions as a way of playing a major role in any takeover of their airline.

Lotus to Unveil 'Intelligent' Software

By David Sanger
New York Times Service
NEW YORK — Lotus Development Corp. will introduce within the next month an unusual program that incorporates several artificial intelligence techniques. Company officials said it would let computer users analyze ideas and text much as spreadsheets allow them to analyze numbers.



The program, called Agenda, has long been the source of speculation in the computer industry. It has been under development for several years by some of the software industry's best-known talents, including Mitchell D. Kapur, Lotus's founder, and S. Jerrold Kaplan, who left recently as Lotus's chief of technology.

Separately, Lotus said Monday that it would release two programs for Apple's Macintosh computer. "Modern Jazz," a successor to the company's failed "Jazz" program, is expected early next year, and a version of Lotus 1-2-3 is expected in 1989.

Lotus 1-2-3 now runs only on personal computers made by International Business Machines Corp. Lotus's chief rival, Microsoft Corp., has dominated the market for spreadsheets that run on the Macintosh.

Microsoft began direct competition on Tuesday with Lotus for the loyalty of IBM PC spreadsheet users with the introduction of Excel, a spreadsheet for IBM's new generation of personal computers.

Salvaged N.Y. Bowery Bank Is Bought for \$200 Million

By Eric N. Berg
New York Times Service
NEW YORK — The Bowery Savings Bank, one of New York's oldest savings banks, has been sold, two years after a group of investors helped rescue it from near collapse with federal backing.

The buyer, the Los Angeles-based H.F. Ahmanson & Co., an owner of savings and loan institutions across the United States, will pay \$200 million in cash.

The price will produce a \$100 million profit for the investors who transformed the Bowery into a privately held company in 1985. The group included Richard Ravitch, the former head of New York's Metropolitan Transportation Authority; Laurence A. Tisch, chief executive of CBS Inc.; and Warren Buffett, the financier.

Although the investors placed \$100 million of their own money at risk, they received nearly \$300 million in financial aid and guarantees against losses from the Federal Deposit Insurance Corp.

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CURRENCY MARKETS

Dollar Mostly Lower on Rate Worries

NEW YORK — The dollar edged slightly lower Tuesday as most currencies in a market dominated by concern about global interest rate increases.

London Dollar Rates table with columns for Closing, T.M., and Mon. values for Deutsche mark, Swiss franc, and French franc.

There was also speculation in the New York currency market about the direction of U.S. interest rates following a warning to the Federal Reserve Board by Beryl W. Sprinkel, chairman of the President's Council of Economic Advisors.

helped to curb earlier technical sales. But they said the market was essentially directionless ahead of U.S. trade data for August due out next week.

Pöhl Says Rise In Rate Aims to Curb Inflation

FRANKFURT — The president of the Bundesbank, Karl Otto Pöhl, said Tuesday that the West German central bank wants to slow the rate of money growth to counter inflationary forces.

ACURA: Japanese Auto Manufacturers Assaulting the U.S. Luxury Market

(Continued from first finance page) wanted something more plush. But the Japanese are certain also to end up gunning for the owners of American and European luxury cars like Mr. Carpenter, setting up what some experts think will be one of the most important marketing battles since the first Toyotas hit the United States in 1957.



J. Davis Illingworth Jr. of Toyota, above, and William R. Bruce of Nissan.



The European automakers contend that they continue to set the standards in styling, handling and technical advances such as anti-lock braking systems. But makers of luxury cars on both sides of the Atlantic say they have grown increasingly wary as they look toward the Pacific.

"The competition is only going to get tougher." However promising the outlook for them, the Japanese companies are well aware that they have a long way to go to create an image of luxury from scratch.

its upscale Lincoln-Mercury division, the Japanese makers want to be able to hold their customers in the family as they move up in the world.

Norway May Order Delay In Oil and Gas Investment

OSLO — Norway said Tuesday that some of its proposed North Sea oil and gas development projects might have to be temporarily shelved to prevent investment from reaching excessive levels.

NORWAY: Draft Budget Unveiled

(Continued from first finance page) domestic industry regain market shares lost at home and abroad. The Labor government has attributed Norway's foreign trade deficit in part to industry's inability to keep pace with products offered by its main trading partners.

Honda's early experience with Acura suggests that both Detroit and the Europeans have plenty to worry about. Surveys of buyers of Acura's Legend coupe showed that about 41 percent had previously owned Japanese cars, 33 percent had owned domestic cars and 24 percent had owned European models.

Not wanting to cut itself off completely, however, from the potential image of quality and reliability that Honda feels its name has earned, the company clearly identifies Acura in its advertising as "a new division of American Honda."

Tuesday's OTC Prices

NASDAQ prices as of 4 a.m. New York time. Via The Associated Press

Table of OTC prices for various stocks including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of stock prices for various companies including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

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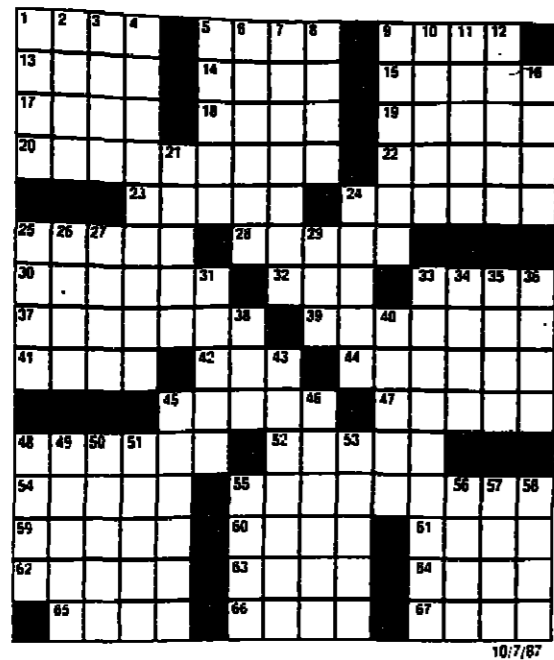
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Tuesday's AMEX Closing. Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.



ACROSS

1 Some August babies
5 One kind of rain
9 Aide: Abbr.
13 Affirmation
14 Singer Patti
15 G. therapy
17 Eight: Prefix
18 Last Stuart ruler
19 Betel palm
20 Ozzie Smith, for one
22 Like a mad dog
23 Couch
24 Abandon a building
25 Nautical direction
28 Send payment
30 Broadway Joe
32 Rather or McGrew
33 Wearing brogans
37 Artist's milieu
39 Give new form
41 European blackbird
42 Actor Vigoda
44 Miner's tool
45 Friable
47 Good-night girl
48 Hearsay

DOWN

1 She wrote "Gentlemen Prefer Blondes"
2 To... His Own... 1946
3 Reminger of film/dm
4 Deficiency
5 "I like..." (singly)
6 He knew Susie
7 Disregarded
8 Cleo's river

9 Noah's "port of call"
10 Clamlet ice form
11 Inge pooch skirts
12 Implied trousers maker
13 Wall climbers
14 Vietnam region: Var.
15 Moderate
16 U.S. cit.
17 Steno's need, sometimes
18 Possess
19 Door or road preceder
20 Editor's notation
21 Brett stat.
22 Dress style
23 Shuns
24 Support
25 Documented
26 Riches' predecessor
27 Bring to mind
28 Evita or Juan
29 "a time (singly)
30 Originate
31 Cin favoring
32 Kitchen staple
33 Downpour
34 Cleo's river

10/7/87



DENNIS THE MENACE

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscrew these four Jumbles, one letter to each square, to form four ordinary words.

HELLO, MOM... I'M COMING HOME TO YOU...
Hello, Mom... I'm coming home to you...
Hello, Mom... I'm coming home to you...
Hello, Mom... I'm coming home to you...

Answer: A "LISEA", "NEMIR", "YALTIX", "LIBART"

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: A "LISEA", "NEMIR", "YALTIX", "LIBART"

Yesterday's Jumbles: FETCH NICE VANISH VASTERY
Answer: The has-been ham actor believes he's still as popular as this... AS HE NEVER WAS

WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Algeria	16	11	Beijing	15	10
Amsterdam	14	11	Bombay	28	23
Barcelona	17	14	Hanoi	28	23
Berlin	15	12	Kobe	18	13
Birmingham	14	11	London	15	10
Boston	14	11	Manila	28	23
Buenos Aires	14	11	Osaka	18	13
Calcutta	14	11	Seoul	15	10
Cardiff	14	11	Singapore	28	23
Chicago	14	11	Taipei	18	13
Copenhagen	14	11	Tokyo	18	13
Dallas	14	11			
Dublin	14	11			
Frankfurt	14	11			
Geneva	14	11			
Helsinki	14	11			
Hong Kong	14	11			
London	14	11			
Los Angeles	14	11			
Madrid	14	11			
Moscow	14	11			
New York	14	11			
Osaka	14	11			
Paris	14	11			
Prague	14	11			
Rangoon	14	11			
San Francisco	14	11			
Seattle	14	11			
Stockholm	14	11			
Sydney	14	11			
Taipei	14	11			
Tokyo	14	11			
Washington	14	11			
Zurich	14	11			

MIDDLE EAST

Location	High	Low
Athens	14	11
Bahra	29	24
Bahrain	29	24
Beirut	22	17
Jerusalem	22	17
Tel Aviv	28	23

OCEANIA

Location	High	Low
Auckland	18	14
Sydney	20	16
Wellington	18	14

WEDNESDAY'S FORECAST - CHANNEL: Rough, FRANKFURT: Cloudy, TEMPE: 9 (4) - 12 (4), LONDON: Cloudy, TEMPE: 13 (8) - 17 (14), NEW YORK: Cloudy, TEMPE: 11 (4) - 14 (5), PARIS: Cloudy, TEMPE: 11 (4) - 14 (5), SINGAPORE: Partly cloudy, TEMPE: 28 (24) - 31 (27), TOKYO: Partly cloudy, TEMPE: 18 (14) - 21 (17), WASHINGTON: Partly cloudy, TEMPE: 14 (10) - 17 (13), SEATTLE: Partly cloudy, TEMPE: 14 (10) - 17 (13), LOS ANGELES: Partly cloudy, TEMPE: 14 (10) - 17 (13), HONG KONG: Partly cloudy, TEMPE: 28 (24) - 31 (27), SYDNEY: Partly cloudy, TEMPE: 18 (14) - 21 (17), WELLINGTON: Partly cloudy, TEMPE: 18 (14) - 21 (17), AUCKLAND: Partly cloudy, TEMPE: 18 (14) - 21 (17).

PEANUTS

THIS IS MY REPORT ON AUTUMN LEAVES...
HERE IS A LEAF FROM AN OAK TREE AND ANOTHER FROM AN ELM TREE! THE NEXT ONE IS A SURPRISE...
A LEAF FROM OUR DINING ROOM TABLE! HA HA HA HA!!
I SHOULD HAVE THOUGHT ABOUT THAT A LITTLE WHILE LONGER...

BLONDIE

LOOK AT THAT, BOSS!
MY, MY...
HE'S THE BEST JUGGLER I'VE EVER SEEN!
ME TOO!
HOW DO YOU LIKE A JOB WITH MY COMPANY?
DOING WHAT?
BALANCING OUR BOOKS!

BEEBLE BAILEY

WE'RE NOT WALKING ON THAT BRIDGE!
SO YOU FALL! IT'S A HOT DAY AND THAT WATER IS NICE AND COOL!
SPLASH! KER-PLUNK! SPLASH! SPLASH!
DON'T BE SISSIES!
DON'T WORRY!

ANDY CAPP

THE TROUBLE I'M IN AT WORK, PET... I MUST TELL YOU...
OUR REFEREE HASN'T TURNED UP ANDY - CAN YOU STAND IN FOR HIM?
WILL DO!
WISH ME LUCK, PET!
HIS FIRST DUTY IN LIFE IS TO WIN ANY GAME UNDER THE SUN. WHAT THE SECOND DUTY IS TO NEVER GET DISCOVERED!

WIZARD OF ID

WELCOME TO THE STATE FAIR!
...AND DON'T COME BACK!
I'VE NEVER BEEN SO HUMILIATED!
HOW DID I KNOW THEY WOULD TEST IT FOR STEROIDS?

REX MORGAN

"IT IS ESTIMATED THAT PROFESSOR WINGATE'S LAND HOLDINGS ALONE IN CALIFORNIA AND ARIZONA ARE CONSERVATIVELY VALUED AT SIX MILLION DOLLARS!"
IN ADDITION TO THIS, GINDI, WE KNOW THAT HE'S A MAJOR STOCKHOLDER IN TWO REASONABLY LARGE CORPORATIONS!
MAYBE EVEN HE DOESN'T KNOW!
WOW! HE'S WORTH ALL TOGETHER!

GARFIELD

CAN WE TAKE A 50-MILE HIKE TODAY, JON?
HUH? CAN WE? CAN WE? CAN WE?
YOU'RE DRINKING TOO MUCH COFFEE, GARFIELD!
OR A SWIM. WHAT IF WE SWIM TO TAHITI?

BOOKS

A LIFE IN PEACE AND WAR
By Brian Urquhart. 390 pages. \$25.
Harper & Row, Publishers Inc., 10 East 53rd Street, New York, N. Y. 10022.
Reviewed by Bernard D. Nossiter

FOR much of the past 10 years, reporters and diplomats seeking clues to some global crisis often went to the 38th floor of the United Nations headquarters in New York. They would march past the secretary general's office to the more modest quarters of Brian Urquhart, a tough, bright and funny Englishman who can be the UN's peacekeeping. Urquhart has a diviner's knack for essentials. Inevitably, he succeeded his old boss, Ralph Bunche, to direct the UN's efforts at separating combatants with blue-helmeted troops. This is the heart of the United Nations. Its meager attempts to spur Third World development, its useful assistance for refugees (outside the Middle East), its sinister efforts to stifle the Western press and all the rest are sideshows. The UN was created to keep the peace. Unhappily, as Urquhart observes in this wise and witty memoir, the UN rests on a political fault. The organization, lacking sovereign power, depends on agreement between the Soviet Union and the United States, an accord that rarely occurs. Urquhart, a scholarship boy at the elite Westminster school and a scholarship student at Christ Church, Oxford, was the second man recruited to the embryonic UN in 1945. Until Urquhart retired 40 years later, he spent his working life in the UN's secretariat and never lost faith in its potential for good. In this characteristically reasonable, entertaining and discreet memoir, Urquhart makes a convincing case that UN peacekeeping efforts have been more successful than not. Lightly armed international troops cannot and should not stop a Turkish invasion on Cyprus or an Israeli invasion in Lebanon. But the peacekeepers have frequently separated Greek and Turkish Cypriots, Indians and Pakistanis, Israelis and Syrians, the PLO and Egyptians. The dull conservatives now running the Anglo-American world offend Urquhart's sense of style as well as content. He contrasts Margaret Thatcher with her former foreign minister, Lord Carrington, whose "wisdom, common sense and humor provided an excellent foil for the new prime minister." The Reagan election in 1980 meant the UN had been reduced to a

Solution to Previous Puzzle

A	M	A	D	A	R	N	T	S	A	R	S		
L	A	T	E	E	L	I	A	I	T	C	H	S	
A	S	E	A	S	I	N	S	L	E	M	O	N	
S	H	E	R	L	O	C	K	H	O	L	M	E	S
T	E	T	E	R	E	S							
F	A	L	L	O	A	F	A	R	E	L	S		
A	D	I	E	O	S	N	I	T	O	L	E	A	
T	H	E	S	P	E	C	K	L	E	B	A	N	D
S	I	G	N	S	V	A	L	E	O	S	T	I	C
O	C	S	I	R	E	L	E	N	T				
N	O	T	T	A	B	I	O						
T	H	E	B	A	K	E	R	S	T	R	E	E	T
S	H	A	V	E	I	R	I	S	I	D	L	E	
O	U	T	E	R	W	I	N	E	N	E	S		
U	S	E	R	S	I	C	E	S	G	N	A	T	

10/7/87

BRIDGE

By Alan Truscott

MOST bridge events take an evening, a day or perhaps two days, but there is one event in New York City that usually takes a year. It is the Von Zedwitz Double Knock-out Team Championship, which is entering into the 1987-88 season while the 1986-87 contest is still in progress. There is one surviving unbeaten team - Michael Radin, Michael Kopera, Phillip Martin and Karen McCallum, all of Manhattan. They won a semifinal match Monday by 59 international match points against a group led by David Berkowitz of Old Tappan, New Jersey. Their opponents in the final will be the winners of the other semifinal match, to be played next week between teams whose captains are John Rengstorff of Man-

World Stock Markets
Via Agence France Presse Closing prices in local currencies, Oct. 6.

Market	Index	Change
Amsterdam	1075	+10
Berlin	1075	+10
Bombay	1075	+10
Buenos Aires	1075	+10
Calcutta	1075	+10
Cardiff	1075	+10
Chicago	1075	+10
Copenhagen	1075	+10
Dallas	1075	+10
Dublin	1075	+10
Frankfurt	1075	+10
Geneva	1075	+10
Helsinki	1075	+10
Hong Kong	1075	+10
London	1075	+10
Los Angeles	1075	+10
Madrid	1075	+10
Manila	1075	+10
Moscow	1075	+10
New York	1075	+10
Osaka	1075	+10
Paris	1075	+10
Prague	1075	+10
Rangoon	1075	+10
San Francisco	1075	+10
Seattle	1075	+10
Stockholm	1075	+10
Sydney	1075	+10
Taipei	1075	+10
Tokyo	1075	+10
Washington	1075	+10
Zurich	1075	+10

Amsterdam

ABN	1075	+10
AFB	1075	+10
AMC	1075	+10
ALX	1075	+10
ANX	1075	+10
AVX	1075	+10
BAN	1075	+10
BOV	1075	+10
BSX	1075	+10
CON	1075	+10
COX	1075	+10
COY	1075	+10
COZ	1075	+10
COA	1075	+10
COB	1075	+10
COE	1075	+10
COF	1075	+10
COG	1075	+10
COH	1075	+10
COI	1075	+10
COJ	1075	+10
COK	1075	+10
COL	1075	+10
COM	1075	+10
CON	1075	+10
COO	1075	+10
COQ	1075	+10
COR	1075	+10
COU	1075	+10
COV	1075	+10
COW	1075	+10
COX	1075	+10
COY	1075	+10
COZ	1075	+10
COA	1075	+10
COB	1075	+10
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COM	1075	+10
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COO	1075	+10
COQ	1075	+10
COU	1075	+10
COV	1075	+10
COW	1075	+10
COX	1075	+10
COY	1075	+10
COZ	1075	+10
COA		

SPORTS

Giants Platoon Outfield, Brace for Cardinal Speed in First Game of Playoffs

By David Aldridge
Washington Post Service
ST. LOUIS — On the eve of the National League championship series, the baseball Cardinals weren't afraid, and although the football Cardinals were few and far between, the San Francisco Giants had a lot of other managers — I'd go with Rick Reuschel.



Will Clark, the heaviest hitter in a powerful Giant lineup.

NATIONAL LEAGUE PLAYOFF PREVIEW

Playoffs with center fielder Chili Davis (24 home runs, 76 runs batted in) and All-Star left fielder Jeff Leonard (19 homers, 63 RBIs) on the bench in favor of Mike Alreth (9 homers, 51 RBIs) and Eddie Milner (9 homers, 19 RBIs), respectively. Manager Roger Craig said he wanted Alreth's and Milner's left-handed bats in the lineup against right-handed Danny Cox (11-9 and 3.09 earned-run average). "Alreth has been playing like heck and Milner is our best defensive outfielder," Craig said.

But in this series we're going to need a lot of pinch running and pinch hitters with all our injuries. Cox will have to have the San Francisco lineup that hit 205 homers (second in the league) and gets power from the rest of their base men Kevin Mitchell, first baseman Will Clark (a team-leading 35 homers), right fielder Candy Maldonado (20), Brearly (18), Leonard and Davis. Cox faced the Giants only twice in 1987, and Game 2 starter John Tudor had no appearances against them. But Mitchell said the Cardinals pitchers may have more to fear than San Francisco's hitters.

A Bit of Glasnost, Gone Agle in Glasgow

International Herald Tribune
LONDON — What, if any, is sport's role in East-West relationships? One week ago, Mikhail Gorbachev addressed his nation on the price and the pace of change — at the heart of which is glasnost. That same day, the peoples' soccer champion was kicked and conked out of Europe.

ROB HUGHES

First round of the European Cup competition was nothing more than a sporting upset. You win some, you lose some. But these are abnormal times. Gorbachev is trying to sell a revolution reversing the Cold War taught to Soviet citizens. Glasnost is lost if he cannot convince his comrades that we in the West are capable of sticking to new rules and new spirit.

mood strikes and cameras are around, there is no more charming a face.

Last Wednesday he did more to spread mistrust in the Kremlin than the keepers of the West's nuclear arsenal. You think I exaggerate the impact of sport? If sport is but trivia, why are the superpowers so trigger-happy when it comes to boycotting Olympic Games?

And has Gorbachev, a soccer fanatic, been so wrong to subscribe to the bridge-building philosophy of sport? He may be too sophisticated a politician to baffle openly at the foul play that eliminated the Soviet champion, but the seed of mistrust germinated in Glasgow: "The British used to be the gentlemen of football," said Dynamo Kiev's secretary, Mikhail Oshenkov. "There are no gentlemen at Glasgow Rangers."



Graeme Souness: A streetfighter in disguise — yet when the mood strikes and cameras are around, no more charming a face.

tens of millions of Soviets. More, it is justified.

The Rangers' physical destruction of Igor Belanov, the European footballer of the year, was as calculated as it was predictable. Belanov's pace was stunted by thuggery. Minutes after kickoff, his ankles were caught by Terry Butcher. The Soviet striker hobbled; then John McGregor finished the job. His crudely raised boot came from behind, connecting as flush as an uppercut at the side of the left leg, just below the knee. Belanov, hurt, retired.

"We only kicked for 20 minutes," said one Glasgow fan. "After that, Souness ran the match brilliantly. The Ruskies didn't want to know." Actually the Ruskies at times outplayed the Rangers. Yet after goalkeeper Viktor Chanov threw away the first goal with an attempted clearance that rebounded comically off his own defender, Kiev could not convert class into goals.

Between the training and the playing, the Rangers narrowed the markings by 10 yards to prevent Kiev's wingers from exploiting Glasgow's slow defense. At halftime Kiev demanded a measurement. Jan Huijbreghs, UEFA's Dutch observer, ruled that unacceptable.

After the 44,500 partisan fans had left, Huijbreghs conducted a summit. With Souness and his assistant on one side and Kiev representatives on the other, he measured the width at 64.20 meters (69.7 yards) — 20 centimeters wider than the European minimum.

Souness stood under TV lights, beaming at a victory that gave him "as much pleasure as any I've had in Europe." "We had a wee bit of luck and got away with it against a side as good as any in Europe." He spoke of needing to nurse a "young team" that was learning what Europe's all about. Such youth! Souness is 35, he has English, Irish and Israeli international all over 30, and three other Englishmen in his late 20s.

He seemed to resent the BBC's mentioning Soviet complaints that narrowing the pitch had been "un-British." "Is that right?" Souness smirked. "No comment. It's no big deal. We have the biggest pitch in Scotland, and like I say we're a young team. I felt we could benefit by it." The Soviets will brood on their "lesson." We shouldn't be surprised if, next time around, they revert to the nonsense of delaying visiting teams at airports for hours, sometimes days, to frustrate and unnerve and turn muscles to lead before big matches. But Souness has his victory. He is Scotland's winner-take-all champion.

Union Softens Stand, NFL Talks Resuming

The Associated Press
NEW YORK — Negotiations in the National Football League were to resume Tuesday after a union's 28 player representatives at an all-night meeting softened their position on free agency. Union head Gene Upshaw said yesterday morning that he had been in contact with the owners' management committee and both sides need to resume talks immediately on an undisclosed location. John Jones, a council spokesman, confirmed that Upshaw will set with management negotiator Dick Donlan in the first talks since Oct. 25, three days after the strike ends.

Asked if that meant the union was dropping its demand for unrestricted free agency, Upshaw said: "I think the statement speaks for itself. We cannot let one single issue remain in the way of an agreement, and I will not let it." However, one player representative, Mike Singletary of the Chicago Bears, said he was "very optimistic" he would be back "right now, I think it's happening on both sides." Singletary said when asked if he thought the union had softened its position. "When you have other players out there playing and you know you should be out there it feels a little bit ridiculous." The strike itself will probably present new issues in the negotiations.

Management, which was first agreeable to a three-year contract to coincide with the television deal, is now expected to ask that it be five to eight years to avoid another strike in less than three years. The union, on the other hand, will ask that the substitute games not count in the standings and that rosters be frozen to reinstate players whose jobs might be taken by strike replacements.

The meeting, which began late Monday evening, was aimed at heading off more defections this week after nearly 90 players crossed union picket lines last weekend to play in the first strike games. As the meeting began, there was a clear division on whether to use the issue of free agency off the table. The owners have insisted that they will only retain the present system and a number of players have said free agency is not their primary demand. The Dallas Cowboys, for example, had reportedly voted 20-9 to drop the issue, and Keena Turner, San Francisco's assistant player rep, said before the meeting that the 49ers wanted the issue dropped from the union agenda.

"I hope we didn't come all the way across the country for nothing," said Turner. "Our team has made it clear that we don't care about free agency. We don't want free agency." Reggie McElroy of the New York Jets was among those in favor of keeping the issue on the table. "I don't think we should give it up," he said.

The owners, meanwhile, put more pressure on the players by moving the reporting deadline from Friday to Wednesday. That means that a player who wants to play and get paid for this week-end's games must report to his team by Wednesday, two days earlier than last week. That action came following one of the worst weekends in NFL history for attendance. The gathering of 16,471 for Monday night's Cincinnati game, the smallest turnout in the 12 seasons the Giants have played in the New Jersey Meadowlands, left the weekend's attendance at less than 26 percent of capacity. In the first two weekends, the stadiums were at close to 90 percent.

The television ratings for Sunday's games weren't off as sharply. But in contrast to most weeks, they fell as the afternoon wore on, presumably as viewer curiosity dropped off. The union was encouraged by the attendance figures and TV ratings. "Talk about the integrity of the game — how can they talk about the integrity of the game and count these games with players who don't matter?" said Marvin

SCOREBOARD

Table with columns for Football, Baseball, and Hockey. Includes sub-sections for Selected U.S. College Conference Standings, NFL Standings, and College Top-20 Ratings.

Transition

BASEBALL
American League
BALTIMORE—First Hank Peters, general manager, and Tom Glavos, farm system director, named Doug Melvin acting director of minor league operations and scouting. CHICAGO—Acquired Ed Wolna, pitcher, from San Diego for a player to be named later. Purchased the contract of Ray Krawczyk, pitcher, from Hawaii of the Pacific Coast League. MINNESOTA—Agreed to terms with Tom Kelly, manager, on a one-year contract. SEATTLE—Announced that Dick Williams, manager, will retire after the 1988 season. PITTSBURGH—Sent Steve Guntell, left fielder, to Colorado of the International Hockey League. Sent Paul Fenner, left fielder, to New Haven of the American Hockey League. PITTSBURGH—Sent Steve Guntell, outfielder; Todd Chorney, defenseman; Dwight Matheson and Les Gilpin, right wingers; and Carl Matheson, left wingers, to Mustangs of the International Hockey League. ST. LOUIS—Traded Mark Redden, right fielder, to Hartford for future considerations. COLLEGE MIAMI (Fla.)—Named Ken Patrick interim women's basketball coach. NORTHWESTERN—Named Paul Stevens baseball coach. OKLAHOMA—Named Corv Kaufman and Andy Durham assistant women's basketball coaches. SOUTHERN METHODIST—Named Doug Single athletic director. UCLA—Named Jackie Jordan-Kersee part-time women's assistant basketball coach. VIRGINIA TECH—Named Frankie Allen interim basketball coach. WASHINGTON—Named Eric Han assistant strength coach. DETROIT—Released Dwight Schaffel, defenseman. Assigned Doug Houdin, defenseman, and Mark Krummel, right fielder, to Adirondack of the American Hockey League. MINNESOTA—Sent Jon Cooney, goalie; Randy Smith, center, and Chris Pryor, Jarri Cofer and Scott MacGregor, defensemen, to Kalamazoo of the International Hockey League. Announced the retirement of Brad Maxwell, defenseman. N.Y. RANGERS—Sent Mike Donnelly, left fielder, and Steve Haneeth, center, to Colorado of the International Hockey League. Sent Paul Fenner, left fielder, and Jay Coufal, right fielder, to New Haven of the American Hockey League. PITTSBURGH—Sent Steve Guntell, outfielder; Todd Chorney, defenseman; Dwight Matheson and Les Gilpin, right wingers; and Carl Matheson, left wingers, to Mustangs of the International Hockey League. ST. LOUIS—Traded Mark Redden, right fielder, to Hartford for future considerations. COLLEGE MIAMI (Fla.)—Named Ken Patrick interim women's basketball coach. NORTHWESTERN—Named Paul Stevens baseball coach. OKLAHOMA—Named Corv Kaufman and Andy Durham assistant women's basketball coaches. SOUTHERN METHODIST—Named Doug Single athletic director. UCLA—Named Jackie Jordan-Kersee part-time women's assistant basketball coach. VIRGINIA TECH—Named Frankie Allen interim basketball coach. WASHINGTON—Named Eric Han assistant strength coach. DETROIT—Released Dwight Schaffel, defenseman.

Keena Turner
... We don't want free agency.

SPORTS BRIEFS

Graf May Be Facing a Sinus Operation
FRANKFURT (AP) — Steffi Graf, the world's top-rated woman tennis player, has serious sinus problems and needs an operation, her doctor said Tuesday.

Boys' Bessy to Sit Out NHL Season
UNIONDALE, New York (AP) — Mike Bossy, the right wing who led the New York Islanders to four National Hockey League championships, announced Monday he will sit out the 1987-88 season because of a chronic back injury.

Substitutes Trounce Giants, 41-21
EAST RUTHERFORD, New Jersey (AP) — Del Rodgers ran two plays for a touchdown and Mike Wells returned a blocked punt for 60 yards as the San Francisco 49ers replacements scored twice in a 28-0 shutout just before halftime and went on to a 41-21 National Football League rout of the New York Giants here Monday night. Only 16,471 fans turned out, the smallest crowd ever to see the reigning Super Bowl champions play at 76,000-seat Giants Stadium.

Notable
Minnesota Manager Tom Kelly, on the notion that the Twins signed a Baylor for his experience and leadership during the pennant stretch of the postseason: "I don't believe much in that leadership stuff. We got Baylor to hit the ball for us." (LAT)
John Hynes, once out and now re-signed by the Los Angeles Raiders: "It's a special kind of strike. It's not like a blue-collar job where you'd be kicking food off someone's table. If they've got to eat, they can sell their

Baseball

Table with columns for National League, American League, and Playoff Comparison. Includes batting averages and other statistics for various players.

NFL Standings

Table showing NFL Standings for American Conference and National Conference, including teams like N.Y. Jets, Pittsburgh, and Dallas.

College Top-20 Ratings

Table showing College Top-20 Ratings for various teams like Oklahoma, Nebraska, and Miami.

NFL Standings

Table showing NFL Standings for American Conference and National Conference, including teams like N.Y. Jets, Pittsburgh, and Dallas.

Advertisement for Blancpain watches, featuring a large image of a watch and text: 'Since 1735 the oldest name in Swiss watchmaking. But don't expect to find a quartz in a Blancpain watch. You won't. And you never will.'

OBSERVER

Campaign Molehills

By Russell Baker
NEW YORK — When the press people failed to notice that Senator Joseph R. Biden Jr. was out in Iowa using Neil Kincock's great campaign speech as his own, the campaign manager for Governor Michael Dukakis called it to their attention.
The senator and the governor were competing for the same title — president of the United States — and Dukakis's campaign manager obviously wanted to put Biden at a disadvantage.
In this instance the results were extensive. The first was to make Kincock, leader of the British Labor Party, a household name in the United States. When film of Kincock delivering his great speech in England was juxtaposed with film of Biden delivering the same material in Iowa, the senator was made to seem immature and foolish. After a few days of taking the heat, he dropped out of the competition.
Even before this, however, the story was beginning to drift off from reality. This was because of the way Dukakis's campaign manager had called the press's attention to the Kincock aspect of the story.
One way he could have done this was by holding a nationally televised news conference. "I regret to point out," he might have said, "that the American media have completely failed to notice one of the most interesting things happening in this campaign," and shown the films of Kincock and Biden both delivering Kincock's speech.

By the campaign manager had to produce follow-up stories. The follow-up was obvious to every reporter with two weeks' experience in the trade: find out who had called attention to Kincock. There were three possibilities, and the first — that a British reporter had wandered into Iowa — could be discarded immediately since the story would have surfaced first in England.
The second, and really tantalizing, possibility was that the hand of the White House had been at work. Biden, after all, was chairman of the committee handling the Bork nomination to the Supreme Court, and he was against it. Maybe a madman amok in the White House thought that humiliating Biden would help Bork's chances.
In fact, had the White House been behind it, the Bork nomination would probably have been destroyed, which would have made a superb follow-up story.
The dull truth was quickly obvious, however. The deed had almost surely been done by one of Biden's rival campaigners. This was news of the dog-bites-man category. Still, ever since Gary Hart's cruise on the Monkey Business the Democratic campaign has shown a tendency to low comedy which encourages reporters to zealous eversions in hopes of coming up with more high-slappers. Inevitably, they unearthed Sasso.
If you read the political writers you might suppose that steering the press to a good story makes him a well-poisoner. Sensitive to headline hysteria, Dukakis, declaring himself innocent of intent to damage the Biden campaign, sensibly hesitated a few hours before reluctantly firing Sasso for behaving like a campaign manager.
On TV afterward, the governor borrowed President Reagan's favorite technique for coping with catastrophe: He said that while he knew nothing of Sasso's behavior, as governor he would accept the responsibility for it. After accepting Sasso's resignation, the governor must henceforth be considered a very serious possibility for president. He knows how to do these things right.
As usual, reporters not favored

Toni Morrison and the Terror of Slavery

By Elizabeth Kastor
WASHINGTON — For a week Toni Morrison has been away from her home in Grand-View-on-Hudson, New York, talking and answering questions and reading from her work. "124 was spiteful. Full of a baby's venom," she begins, her voice soft as a whisper, introducing the first two sentences of her new book, "Beloved" (published by Knopf in the United States). The novel, Morrison's fifth, has received exuberant reviews.
At a Smithsonian signing, readers — most of them women — hold the volume close to their chests like a treasured object. One fan tells her "Beloved" is so powerful she could not read it alone; the house had to be filled with people, a comment that reminds me of the author of her own trepidations.
"I had forgotten that when I started the book, I was very frightened. It was an unwillingness and a terror of going into an area for which you have no preparation. It's a commitment of three or four years to living inside — because you do try to enter that life."
And the life was a terrible one even to glance at, let alone invite into your mind and heart. Eighteen years after the act of internal trolley plantation of the 1850s where the master chafes his slaves' "animal characteristics." Families separated, runaways burned to death, Chain gangs, whippings, hangings, guilt, ghosts. And at the center of it all, infanticide: a mother who slits her daughter's throat and is about to kill her three other children; this to "save" them from the slavery she has just escaped.
But the true story at the heart of the book, the story of Margaret Garner, who escaped to Cincinnati and succeeded in killing only one daughter before they stopped her, had stayed with Morrison for 10 years after she first read contemporary accounts of the woman's trial for murder. "I thought at first it couldn't be written, but I was annoyed and worried that such a story was impossible to write. If I couldn't do it, I felt really sold. In the end, I had to rely on the resilience and power of the

characters — if they could live it all of their lives, I could write it."
Before Morrison began the story of the woman who soon ceased to be Margaret Garner and became Sethe ("I listen to the characters and ask what they're named after. It's a process that is very respectful"), she had been preoccupied with "the ways in which women are able to love extremely well, nurture extremely well, and the ways that sometimes also destroys something."
"I was thinking about that in really very contemporary terms. And that led me to think about the ways in which we displace individual self into the beloved. Sometimes it's children, sometimes it's husbands, sometimes it's careers or what have you. And it's the best part of us flourish in something other than ourselves and get completely erased."
Once Sethe has been released from jail, thanks to the influence of some white abolitionists, and has placed a stone over her daughter's grave carved with the word "Beloved," she settles with her three remaining children in the home of her mother-in-law on 124 Bluestone Road outside of Cincinnati. But 124 is spiteful; furniture flies and sad light plays across the floor and baby hand prints appear in caulk. Eighteen years after the act of internal trolley and violence, Sethe and her family are still haunted by the 2-year-old girl whose throat she slit. When Paul D., a former slave from the same Kentucky farm, appears and exorcises the baby ghost, another presence takes her place, a 20-year-old woman with a raspy voice and a scar on her throat. She can not explain where she comes from, and she calls herself "Beulah."
Sethe and her living daughter Denver know who this girl is. The black women of the town know, too. "I decided she would be two things," says Morrison. "For the characters in the book, she would indeed be the character returned. I decided for the reader she would be a real person, a real character with a life elsewhere. But their desires mesh. Her needs bleed into mine. Morrison was having Chloë Anthony Wofford 1931 to parents who had migrated from sharecropping in Georgia and Al-



"If they could live it all of their lives, I could write it."

abama to Lorain, Ohio, and for whom pain, stirring and magic were accepted elements of existence. In "The Bluest Eye," "Sula," "Song of Solomon" and "Tar Baby," Morrison's youthful fascination with her family's tales remains. Butterflies and avocado trees express forceful opinions, a woman is born with no navel, a dead child returns, tales and lives are spun out in long, fluid sentences that move through history and even past the grave.
"There are more parents who tell their children stories now," she says, "who read to them as a way of educating their children. We didn't hear stories that way. The adults weren't telling us stories; they were talking to each other. We overheard, and a trembling respect for words. I wrote like someone with a dirty habit.

After graduating from Howard and receiving a master's degree from Cornell, she taught at Howard, and it was there she began to write. "I had nothing left but my imagination," she has said. "I had no will, no judgment, no perspective, no power, no authority, no self — just this brutal sense of irony, melancholy, and a trembling respect for words. I wrote like someone with a dirty habit.

Finally, she joined a writers' group, and out of a story for the group grew "The Bluest Eye," a book, bearing novel about a young black girl's dream of having blue eyes, a story almost encyclopedic in its exploration of anger at whites and hatred of self among blacks in Lorain, Ohio.
In 1974 came "Sula," a novel about friendship between women; once again Morrison was praised by critics and fellow black women writers, not only for her prose but for exploring worlds few others entered in fiction. The 1977 "Song of Solomon" won the National Book Critics Circle Award.
"Beloved" began as the first part of a trio of tales that Morrison believed would make up a book. "I thought it would be 75 or 80 pages long," she says of what became "Beloved." "When I turned it in to the editor, I said, 'I'm very sorry that I'm two years late, but I'm not going to be able to finish.' The editor read the 'unfinished' 275 pages and recognized it as a whole book, and now Morrison is working on the next story, set in Harlem in the '20s. When she admits to this, she rolls her eyes, exclaiming something between a laugh and a sigh, for after "Tar Baby" in 1981 she thought she was done.
"I told myself, 'I'm going to free myself, and if I never write another book, it's all right.'"
After "The Bluest Eye," Morrison learned that books could be written only when she was ready. "The process and act of writing is too important to do it because I have the time. I prefer to do it when I am unable to avoid it."
For years she had worked double, if not triple, time; editing at Random House until 1983, teaching and writing whenever she could find the quiet to do it, all the while raising two sons on her own after her divorce. She now holds the Albert Schweitzer chair at the State University of New York in Albany, mentoring several young writers through two-year fellowships that allow them "to put their writing at the middle of their lives," as she describes it.

Paul Newman's dream of a camp for children with cancer and other life-threatening diseases got a \$5-million boost from the government of Saudi Arabia. The contribution will go toward the endowment fund and construction of the camp, expected to open in June in Connecticut, Newman said. "I hope that we're worthy of your generosity," Newman told Prince Bandar bin Sultan, the Saudi ambassador to the United States, at a Washington press conference.
In Pittsburgh, the tenor Luciano Pavarotti said he had shed 35 pounds (15.8 kilograms) and planned to lose 50 more. He said he would like to sing the title role in Massenet's "Werther," but Werre is "a man who is dying, not dying for love, so I have to lose." He declined to disclose his weight, but he said he wanted to lose 25 more pounds.
Henry Ford 2d left his "clothing, jewelry, club memberships, automobiles and insurance policies" to his widow, Kathleen DuRoss Ford, but his will filed Monday in Palm Beach, Florida, gives no details on the disposition of his estimated \$250-million fortune. The will, also named his widow as his sole executor, said that he and unnamed trustees were empowered to handle Ford's business affairs. Ford died Sept. 29.

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